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Glades Livestock Market Association

A Florida Operation

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by C. G. Randell

Farmer Cooperative Service
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THE Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

The Service publishes the results of the studies; confers and advises with officials of farmer cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

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HIGHLIGHTS

THE Glades Livestock Market Association, at Belle Glade, Fla., pioneered in cooperative livestock marketing in that State.

Stockmen in South Florida in the late 1940's were wise enough to appraise realistically the situation they were facing—a growing livestock industry and limited livestock markets mostly outside their trade area. They realized that livestock marketing service and facilities must go hand in hand with production. They appreciated the economic handicap and the danger inherent in a situation where livestock production gets ahead of a dependable market structure.

Before the Glades association was started, producers had already experienced the situation where their only market outlet was a few local buyers coming to their farms and ranches to bid on their stock. They had no yardstick for measuring the market value of stock to use in pricing their animals.

These producers determined that they would devise a marketing system that would bring together in their buying operation buyers who would provide competition for their stock

and establish a level of values in line with sales at distant markets.

This circular describes in a step-by-step account development of Glades Livestock Market. It discusses the problems encountered together with the measures taken to solve these problems. Looking back, Glades sees now that some of the problems encountered and the mistakes made in construction of facilities and in market operation might have been avoided.

One of the principal aims of this publication is to point out the early mistakes made by this group of producers so that others can avoid similar pitfalls likely to be encountered by any group of producers inexperienced in marketing in attempting to build a marketing service.

Glades Livestock Market Association started business on May 12, 1950, operating leased facilities. The facilities were purchased on February 1, 1952, at a cost of \$85,603.89. From that date until July 31, 1955, the co-operative spent an additional \$49,000 in remodeling old pens, building new pens, docks, and other facilities and adding to equipment. With the added facilities the market can accommodate

without crowding approximately 1,500 cattle at one sale.

From the first year of operations Glades has shown a steady increase in volume of business. In 1951, during its first full year of operation, the association handled 13,693 cattle and calves. In 1954 the volume of business totaled 50,394 cattle and calves. The volume of cattle handled by Glades has increased much faster percentage-wise than has the cattle population of the State.

During 4 years of the association's operation, 1951-54, consignors delivering livestock increased from 271 to 1,023. Many producers with small volume are numbered among the patrons. In 1954, a total of 646 out of 1,023 consignors delivered fewer than 25 head of stock each. That year 63 percent of the shippers delivered 10.4 percent of the business, while 5 percent of the shippers supplied 37.4 percent of the volume handled.

Glades has effective buying competition, so essential in livestock marketing. In fiscal 1955, slaughter and packer buyers to a total of 20 purchased stock at the market. Nine of the regular packer buyers purchased over half the slaughter livestock.

Income of the cooperative rose steadily from 1952 to 1955. For the fiscal year ended July 31, 1952, the market had total income of \$84,565.82. This income increased each year and totaled \$125,221.33 for fiscal 1955. Total expense in the 4-year period ranged from \$60,527.87 to \$102,951.66. In 1955, salaries and wages were the principal item of expense, amounting to 46.3 percent of the total.

Net savings for fiscal 1955 totaled \$22,269.67 and for the 4-year period averaged \$18,818.14 a year.

Glades made patronage refunds totaling \$27,696.48 to members during the fiscal years 1952-55. During the same period it paid \$13,767.02 in Federal income tax on nonmember business and transferred \$32,309.06 to surplus.

Income is derived from a 3-percent

commission charge and a yardage charge of one-fourth of 1 percent of gross receipts from livestock sold and from sale of farm and ranch supplies to producers.

In inaugurating the system of sorting and selling cattle in pen lots, the Glades association has established a program that other auctions could use as a pattern. With this system selling time has been greatly reduced and the number of cattle handled per hour materially stepped up. A peak of 208 cattle per hour was handled during 1 sale recently.

Management of the Glades association has made a real contribution in the field of member and public relations. A weekly market card, a radio program, and newspaper and magazine advertising, and articles keep members and patrons informed on livestock market receipts, prices and other items of importance to them, and on activities and services of the association.

Glades' management has also aided materially in a livestock improvement program in the area by bringing in purebred livestock from other States and selling this stock at advertised sales at the Glades Market. This program has been advanced by the practice of permitting purebred breeders in Florida to bring their stock to the market and to exhibit and sell them either in the ring or by private treaty.

The management has stressed timely production and orderly marketing and has urged producers to take advantage of seasonal trends in market prices of certain classes of stock so as to realize maximum returns. The Glades association has encouraged sale of a higher proportion of stock during the first half of the year—the period of highest prices for livestock in Florida.

An appraisal of its experience indicates that Glades should provide new and improved services in order to render the largest measure of benefit to producers. These include order buying, order selling, and expanded field service.

In order buying Glades could pur-

chase stocker and feeder cattle on order in outside areas and bring them into the Glades section for distribution to its patrons. This would supplement the local supply of feeder cattle.

The association could also develop an order selling program for members and patrons with slaughter cattle for sale. Bids would be secured from packers on lots of cattle and the stock would be shipped direct from the ranches and farms to the meat plants at an agreed price and shrink.

An expanded field service would include such items as appraising weights and values of cattle in pastures and feed lots and cutting out cattle for marketing, holding marketing and outlook meetings in the Glades trade territory, and handling other informational and public relations business.

Glades' experience has shown that some changes need to be made in the corporate structure of the association. These include districting the trade territory of the association and electing directors by districts and increasing the number of directors on the board. Consideration should be given to lowering the requirement of \$1,000 purchase of stock for membership to \$100. This action would broaden the base of membership and help further the growth of the Glades Livestock Market Association.

While many improvements have been made in Glades' facilities since

they were constructed, others are needed. These include concreting the floors of the remaining pens, rebuilding the "hot corner" adjacent to the ring, providing a buyers' room and more light in the sales barn, moving scales adjacent to the ring, and providing more catch gates in alleys.

What has the Glades organization accomplished? It has:

1. Provided a marketing service for more than a thousand ranchmen and farmers in South Florida.
2. Provided facilities where feeders and pasture operators can obtain replacement stock.
3. Provided a market place where over 20 packers and slaughter and butcher buyers located in Florida and South Georgia can secure all or part of their slaughter requirements.

However, the Glades association has now reached a plateau in volume handled. Further increase in volume will be slow and more difficult unless a long-range planning program is set up to provide the new services proposed in this report. This is a real challenge to the management and the membership.

The Glades Livestock Market has made good progress to date. Much credit is due to the cooperative's management and directors for the results obtained notwithstanding the many operating problems and difficulties encountered over the years.

Glades Livestock Market Association

A Florida Operation

by C. G. Randell
Livestock and Wool Branch
Marketing Division

SUCCESS in a cooperative livestock auction is a two-way operation. The cooperative must have sufficient volume to attract buyers. It must also sell at prices high enough to insure satisfied member-patrons who will send enough cattle to the auction to supply the needed volume.

Production and marketing must go hand in hand. Neither enterprise will succeed unless they complement each other. It takes adequate production to maintain a market and it takes a safe, dependable and efficient market to encourage production of livestock in a given area.

Glades Livestock Market Association, Belle Glade, Fla., is an example of a cooperative founded to meet a need. It has operated successfully over the past 5 years.

This association has had its share of problems and has achieved considerable success in solving them. With a view to helping the management of Glades assess its present position and

chart its future course, and in the belief that this auction's experience will be valuable to other similar undertakings, Farmer Cooperative Service made a thorough study of Glades' facilities and operations.

This report is an analysis of the association's experience. An account of the operations of this market, the problems it encountered, and its experience in meeting and solving many of these problems can be valuable information to other groups of farmers and ranchmen who plan to establish livestock auctions. Likewise the experience of the cooperative in trying to build adequate facilities, the mistakes that were made, the struggle to obtain needed volume of livestock and to establish competent selling and other services all can serve as a guide in helping other cooperatives and producer groups to avoid the pitfalls experienced by the Glades association.

This information can be especially helpful in the current stage of expanding livestock production in the South. Farmers of this area need good market outlets for their steadily increasing herds. They may be able to apply

NOTE.—Credit is due Anna E. Wheeler of Farmer Cooperative Service for assistance in analysis of patron turnover and other statistical data.

the experience of the Glades auction because of its similarity to their own production and marketing development.

Starting from base in 1950 the Glades association has grown steadily in volume and patronage each year. In analyzing the growth of the association by quarters it is noted that in every quarter during each year the association handled more business than it did in the corresponding quarter of the previous year.

In seeking the reasons for this growth there are a number of factors to consider. One is the parallel growth of the cattle feeding and the pasture industry in the Glades section. The areas north and northwest of the market are the range areas which produce many feeder animals. These areas do not have the grass or grain to finish cattle, hence they must seek a market for their stock cattle and calves. East, south and west of Belle Glade, cattle are finished on grass or a combination of grass, grain, and supplemental feeds. Were it not for this feeding area and the market provided by these operators, the range producers would have to seek a distant market farther north.

Some of the feeders in the Glades area have demonstrated in their own operations that land can be reclaimed by water control measures so that year around pastures can be assured, and that highly nutritious grasses can be grown which will produce 1,000 to 2,000 pounds of beef to the acre. Other feeders have found that corn, sorghum, corn silage, grass silage, citrus pulp, and other grains and feeds in combination with supplements will finish cattle to the grade desired provided they have the initial quality necessary to make the grade. These feeders have patronized the Glades Market to secure their supplies of stocker and feeder cattle.

In actual practice, many stock cattle are produced in the area around the Glades Market. Some grasses are set back by frost, producers are not in a position to carry animals farther in

finishing them, or there is a water problem or some other economic reason which may cause producers to market their animals as stockers or feeders.

Range operators have another source of competition for their cattle and that is packers who are operating their own feedlots and who look to the market to provide a part of their requirements.

The Glades Livestock Market is the meeting place where ranchmen find a market for their cattle and feeders find a source of supply for their feeding requirements.

Another important factor responsible for the growth of the Glades Livestock market is the competition provided by packers for the butcher stock that is consigned to the market. There are nine packers and slaughterers who are regular buyers at the market and a dozen other buyers who are in and out with their purchases. These packers buy slaughter steers and heifers and butcher cows, bulls, and calves. While most of these packers and slaughterers have their own employees or agents who buy directly from feed lots and pastures, others look to the market for nearly all of their supplies. By having two sales a week the market is able to supply the needs of these killers, particularly if they have some holding pens at their plants.

Procurement is one of the big problems in the meat packing business. Perhaps next to merchandising many packers regard it as their toughest problem. In many areas slaughterers have found it very advantageous to buy all or practically all of their requirements at the auction sales. They have found by experience that when they buy their requirements at the auction they are free to concentrate on the processing and merchandising of their meat products. They know that it is costly to maintain a buyer in the field with salary and travel, and they prefer to do their own buying on one or two days a week at an auction rather than ride the country all week



Front view of Glades Livestock Market, Belle Glade, Fla. Since this photograph was taken, 20 additional pens have been added at the rear of the main buildings.

or hire someone to purchase their livestock.

A livestock marketing association operating as the Glades cooperative does have the opportunity to render service of high order to patrons at the yards, in the sales ring, the office, and

in the field. How has Glades developed to where it now is?

The way Glades came to be organized and the changes made in its organization plans will be of interest to others considering such an organization.

Organization and Financing

GLADES Livestock Market Association is a cooperative organization. It was created to provide and operate a market where producers could sell their livestock and secure competitive prices for their stock; a market where they could purchase replacement stock without speculative margins; and also obtain livestock, feed and supplies needed in the operation of their business. The association is unique in that many of its members had in mind a cooperative market before they got into the cattle business. In 1945, for example, the area within a 25-mile radius of Belle Glade contained about 5,000 cattle. The same area, in 1950, contained slightly over 35,000 cattle.

In 1948 the Palm Beach County Cattlemen's Association took the lead in securing a charter for establishment of a cooperative livestock market.

Before the market opened, nearest marketing points were at Okeechobee

City, 50 miles north of Belle Glade, and Kissimmee, 150 miles away. The Okeechobee market was small and operated seasonally. Some fat cattle were sent to the large market at Kissimmee. A small market at West Palm Beach, 40 miles distant, handled some dairy cattle and hogs.

As a result of these conditions, nearly all cattle in the area were sold at farms and ranches. It was estimated that prices received were at least 2 cents a pound lower than they would have been in a central market.

Glades Livestock Market Association was incorporated under the Agricultural Cooperative Act of Florida as a nonprofit cooperative marketing association, without capital stock and with office to be established at Belle Glade, Fla. The appendix, pages 54-59, shows articles of incorporation as amended March 15, 1950, and by-laws of the association.

On May 5, 1950, the organization was changed to a capital-stock cooperative with authorized capital of \$35,000.

Glades Livestock Market Association, as set up in 1948, directed its first efforts toward getting a private operator to build a market. While these negotiations were in progress, one of the interested producers offered to construct a marketing facility, at an estimated cost of about \$60,000, which he would lease to the association pro-

vided it would be operated as a cooperative. Each of the 10 men present at the meeting when this proposal was accepted offered to put up \$1,000 each toward financing the project if an additional \$20,000 could be raised.

A local producer built the facilities in 1949 and 1950. The cooperative acquired them under a 5-year lease, with plans to purchase later, and made an agreement to pay as rent 20 percent of the commissions received.

Operations began on May 12, 1950.

Problems Encountered

Glades encountered operating problems almost at once, as any new livestock market is likely to do. Early problems in the Glades Market arose chiefly because no technical appraisal had been obtained on the facility plans and available help was largely inexperienced. Confusion and mixups were the rule during the first few sales. The prestige of the market was hurt because of overloaded facilities and inefficient help. First difficulties were ironed out and volume was satisfactory until late summer of 1950. At that time sales fell off and some members were quite discouraged.

Operating on leased property, the association had a natural reluctance to spend money to build new pens or to make existing pens more usable by reducing their size and increasing their numbers.

Because of the pattern of livestock marketing in the Glades area, the cooperative's management felt the market should be closed from October to January. However, the final decision was that the market should operate on a year-round basis regardless of the volume of business done in any particular season.

Late in September there was a drastic drop in volume and on one sale day in October only nine cattle were offered for sale. The runs continued small in October, November, and December. Some of the faint-hearted in the community felt the market was doomed to failure. However, the

management, the board of directors, and a number of cattlemen in the area had faith and confidence that the market would eventually be successful and determined to carry on.

As the association faced 1951, the big problem was to secure a large enough offering of different grades of cattle to attract buyers. Failure to secure such volume resulted in irregularity in prices from week to week and even at different times during a given sale. Naturally this caused dissatisfaction among producers.

One of the major problems was obtaining help trained in handling livestock. Most of the competent help was 50 to 100 miles away. Herd management practices in the area do not call for a great deal of part-time labor, and few men were available for working part-time at the market and part-time at jobwork for ranchers. The labor problem was particularly acute for the first 3 years. With an increase in number of ranchers that has steadily taken place and the addition of another sale day, this problem is slowly being solved.

Other associations can learn an important lesson from Glades' early experience. Many a market with volume dropping to nine head for a sale would have closed. But the management—the directors of this cooperative—and some of the big cattlemen refused to give up. They kept trying and gradually worked out their problems one step at a time.

On October 6, 1951, stockholders of

Glades authorized the board of directors to increase the authorized capital stock to \$100,000. By December 1951, the association felt justified in exercising the option to purchase the market facilities and to raise additional capital for that purpose. It made a move to secure \$30,000 to acquire the property. The goal was reached by raising \$20,000 from the members and taking \$10,000 from the operating fund.

Glades purchased the market facilities on February 1, 1952, by paying \$30,000 in cash and giving back a first mortgage of \$55,000. The fact that the association could raise over \$20,000 in cash in the area helped restore confidence in the ultimate success of the enterprise.

Following the purchase of facilities steps were taken to improve the arrangement of pens and the selling program.

Facilities

FACILITIES of the Glades Market were erected on a 15-acre tract of land between Belle Glade and Pahokee on Florida State Highway 15. In their construction it was necessary to haul in about 350 tons of rock and 400 earloads of sand to furnish the foundation and build up to the proper level. In building the yards, piling was driven down to bed rock. When constructed, all pens and alleys had dirt floors throughout.

Cost of the livestock market when originally built in 1950 was \$58,821.47.

From the time the association began business on May 12, 1950, until February 1, 1952, when it purchased the facilities formerly leased, it was paying as rent 20 percent of the sales commissions. In purchasing the facilities the association acquired the land, a market building and pens, and a frame tenant building for a total outlay of \$85,603.89.

Glades Livestock Market had opened in 1950 with facilities well constructed but poorly designed for operating efficiency. For sellers' cattle there were 24 pens, half of which were 14 feet by 28 feet long. There were an equal number of buyers' pens of approximately the same size. Surrounding the arena were 14 small pens designed for hogs and single cattle consignments. The small number of pens available and their large size had contributed to the poor handling of cattle.

One of the first improvements was to divide the large pens into smaller

units. Later two walkways were built the length of the auction barn to facilitate seeing the cattle without interfering with yard operations.

Glades' experience has indicated a serious mistake in constructing the barn without providing for more light. A monitor type of construction or built-in skylights would have helped correct this problem. Plastic material could be installed in the roof which would provide additional light.

Other features incorporated in some modern auction facilities are not found at the Glades Livestock Market. These include a buyers' room where buyers may have a telephone and tables to figure their transactions. Some buyers now use the manager's office at times to make calls which is not a good arrangement. The manager's office should be free for conferences and other business during or following the sale.

Some auctions have put in removable pen partitions to facilitate holding cattle or calf shows where animals are exhibited and judged. Others have installed hydraulic gates to speed up handling stock through the auction ring. These are operated by the weighmaster with foot control or by the auctioneer or others using push-buttons.

Twenty new pens, each 10 by 42 feet, were added to the yards. These were built in 2 units of 10 pens each with a 10-foot alley between. The association now has 28,000 square feet of



These are the 20 new pens added at the rear of Glades Market. Each is 10 feet by 42 feet and a 10-foot alley runs between pen sections.

pens and alleys under cover and 26,000 square feet used as holding pens and not under cover.

All pens were built of untreated lumber and seasoned pine posts. As these materials deteriorate, they are being replaced with treated lumber and posts.

The yards have an excellent sales ring, special seats for buyers, and ample room to accommodate buyers and the stockmen with their families who attend auction sales. Seats are provided for approximately 200 in addition to the buyers. Four circulating fans cool the sales ring. Weights are taken on a type-registering dial scale with capacity of 20,000 pounds

that breaks on 5 pounds. An indicator is used to check balance of the scales.

The yards have good loading and unloading docks for trucks, but under the present arrangement all livestock is received and loaded out from one set of docks. A double set of docks would be worthwhile since stock sold could be loaded out to buyers without moving across the yards and interfering with stock moving into the sale ring. There are no hay racks and no water troughs inside the barn. Some outside pens are supplied with water.

Glades' experience indicates that arrangement of pens adjacent to the scale, in the area known as the "hot corner," needs to be altered by shortening the length of the area. This change in construction would eliminate a number of yard men employed on sale days.

The stockyards have a good, well-equipped office and a restaurant to serve meals on sale days.

Up to July 31, 1955, the association had spent a total of \$134,439.86 on original facilities plus the cost of additional pens, improvements and equipment, furniture and fixtures, and roadside signs. In the appendix, page 60, is found a breakdown of these expenditures.

It is important to note that the association, having spent over \$40,000 to enlarge, improve and equip its facilities, felt the expenditure was justified.

Volume of Business

GLADES Livestock Market Association showed a steady increase in volume of business from 1951 through 1954. In 1951 the association handled 13,693 head of cattle. This volume increased to 25,310 in 1952; to 37,532 in 1953; and reached 50,394 in 1954 (table 1).

The volume of business handled in each quarter was higher than the business handled in the same quarter during the previous year. For example, in the first quarter of 1952, the

association handled 3,860 head of livestock or 2,282 head more than in the first quarter of 1951 (table 2 and fig. 1). The peak of business each year was reached in the second or third quarter from April to September. The lightest volume of business was in the first quarter of the year, January to March, inclusive. This growth represented a strictly consignment business.

In some areas of the country, over half the receipts of auctions represent

Table 1.—Cattle and calves handled by the Glades Livestock Market Association and increase in volume, 1951–54

Year	Cattle and calves handled		Percent increase	
	Number	Increase over previous year	Over previous year	Cumulative
1951 . . .	13, 693	.....	.....	.....
1952 . . .	25, 310	11, 617	85	85
1953 . . .	37, 532	12, 222	48	174
1954 . . .	50, 394	12, 566	33	266

Table 2.—Cattle and calves handled by the Glades Livestock Market Association, by quarters, 1951–54

Year	Cattle and calves handled			
	1st quarter	2d quarter	3d quarter	4th quarter
1951 . . .	1, 578	4, 006	4, 449	3, 660
1952 . . .	3, 860	7, 608	8, 268	5, 574
1953 . . .	6, 266	12, 400	10, 121	8, 745
1954 . . .	9, 306	17, 217	11, 779	11, 796

livestock purchased for the account of the auction owners. So receipts are dependent to a considerable degree on the ability of the auction management to buy livestock.

Growth Pattern in State and Counties

Cattle and calves on farms in Florida increased from 1,350,000 head in 1951 to 1,679,000 head in 1954. For the 3-year period, therefore, there was an increase of 329,000 cattle in the State. Production increased for 3 years, 1951–54, and then leveled off. The preliminary estimate of cattle and calves on farms for January 1, 1955,

showed 1,651,748 head, or some 20,000 less than in 1954 (table 3).

During this same period, 1951–54, there was a heavy increase in slaughter of cattle and calves in Florida. While production on the whole was increasing over 20 percent, slaughter more than doubled from 1951 to 1954, inclusive, or an increase of 142 percent (table 4). The increase in slaughter could have been an important contributing factor to the growth in volume Glades handled. It apparently continued with lessened momentum during 1955, showing an increase of some 12 percent.

The volume of cattle handled by the Glades association increased much faster than the cattle population of the State. Likewise the Glades area showed a faster rate of growth in cattle numbers than the production in the State as a whole (table 5).

One test of the efficiency of an association and the character of service which it is rendering is the percentage of the volume of cattle it receives from its trade territory. The 1954 census figures for cattle and calves on farms in counties of the Glades Market area showed a varying percentage of cattle the Glades Market received. For example, in 1954 the association received and sold from Palm Beach County 29,664 cattle with total num-

Table 3.—Cattle and calves on farms in Florida, January 1, 1951–55

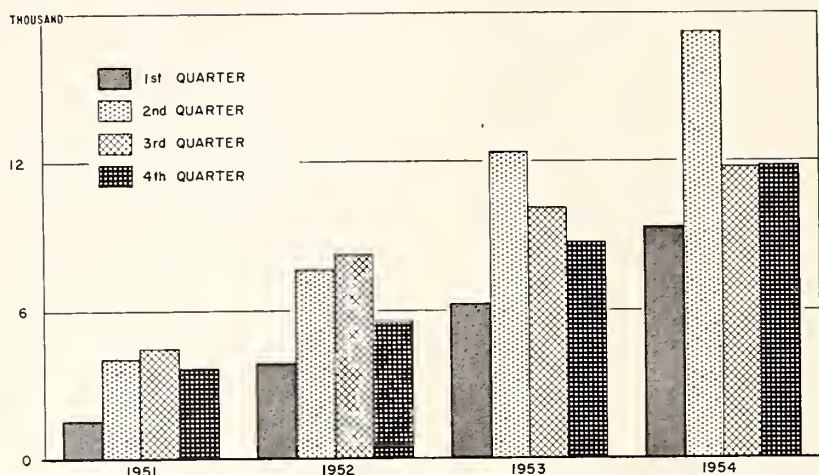
Year	Number	Percent increase	
		Over previous year	Cumulative
1951	1, 350, 000	.....	.....
1952	1, 539, 000	14	14
1953	1, 662, 000	8	23
1954 ¹	1, 679, 000	1	24
1955 ²	1, 651, 748	.....	22

¹ Revised.

² Preliminary.

Source: Census of Agriculture, 1954.

Figure 1.—Cattle sold through Glades Livestock Market Association, by quarters, 1951–54.



bers on farms of 84,238 head, or 35 percent of the county livestock population. This is a high percentage. In Broward County, which had a total of 40,617 cattle and calves on farms in 1954, the association handled 2,493 or 6 percent of the total. Likewise in Glades County with 28,397 head, the association handled 2,053 or 7 percent of the total (figs. 2 and 3).

Turnover of Patrons

Consistency in patron support is the goal of every marketing association.

In an ideal situation, a cooperative can retain most of its patrons year after year and add new ones to help build volume. It is true that an association can survive with a heavy turnover of patrons if through advertising or other means it brings in new patrons, but this policy eventually catches up with the organization and brings disastrous results. There will not be enough business from new shippers to offset the loss of business from old shippers.

The turnover in consignors is therefore a factor in volume that requires constant attention from management.

Table 4.—Cattle and calves slaughtered in Florida, 1951–55¹

Year	Number			Percent increase	
	Cattle	Calves	Total	Over previous year	Cumulative
1951.....	159, 000	46, 000	205, 000		
1952.....	172, 000	47, 000	219, 000	7	7
1953.....	305, 000	93, 000	398, 000	82	94
1954.....	372, 000	124, 000	496, 000	25	142
1955.....	² 374, 000	² 134, 800	² 508, 800	12	154

¹ Includes all wholesale and retail slaughter but not farm slaughter.

² Figures for 11 months of 1955 only.

Source: Livestock Slaughter by States. AMS Crop Reporting Board, Dec. 30, 1955.

Where shippers drop out management must know why. If, for example, it is some complaint, real or fancied, on service, then perhaps the management can correct the situation promptly and not permanently lose a shipper.

Tables 1 and 6 and figures 1 and 4 show growth in number of consignors as well as in number of head consigned to the Glades organization. Total annual volume handled rose each year from 13,693 head in 1951 to 50,098 head in 1954 (table 1). The number

Table 5.—Cattle and calves on farms in selected counties and volume obtained from these counties by Glades Livestock Market Association, 1954

County	Cattle and calves on farms	Cattle sold through Glades Market	Percent-age of total
Palm Beach...	84,238	29,664	35
Hendry.....	49,934	3,825	8
Collier.....	22,284	3,024	14
Okeechobee...	59,852	2,523	4
Martin.....	20,561	2,493	12
Broward.....	40,617	2,493	6
Glades.....	28,397	2,053	7
Lee.....	17,284	771	4
Dade.....	35,899	443	1
Highlands...	52,273	277	0.5
De Soto.....	47,932	275	0.6
St. Lucie.....	30,857	192	0.6

Source: Census of Agriculture, 1954.

of consignors increased from 271 in 1951 to 1,023 in 1954 (table 6).

Of those who dropped out for a year or two, some returned in a later season. For example, of the 271 who consigned in 1951, only 209 delivered in 1952, 191 in 1953, and 148 in 1954. However, of the 62 who failed to support the sale in 1952, 47 came back and delivered in 1953; 25 of them delivered also in 1954. In 1952 the new consignors numbered 185, of which 158 delivered in 1953 and 88 in 1954. Among the original 1952 group were 27 who dropped out in 1953 and 70

who were absent in 1954. As replacements in 1954, came 550 new ones to bring the total consignors for that year to 1,023. Investigation of individual cases showed that part of the turnover in earlier years can be attributed to partnerships and joint ventures as well as to individual producers going out of business (fig. 4).

From the 1954 figures, it appears that 63 percent of the shippers delivered 10.4 percent of the business. Another group, only 5 percent of the consignors, delivered 37.4 percent of the volume handled. Each of these consignors delivered at least 200 head during the year. Four percent of the consignors delivered nearly 25 percent of the volume, with yearly totals of between 200 and 400 head. Only 5 consignors or one-half of 1 percent delivered as many as 500 head (table 7).

Figure 2.—Location of consignors to Glades Livestock Market Association, 1954.

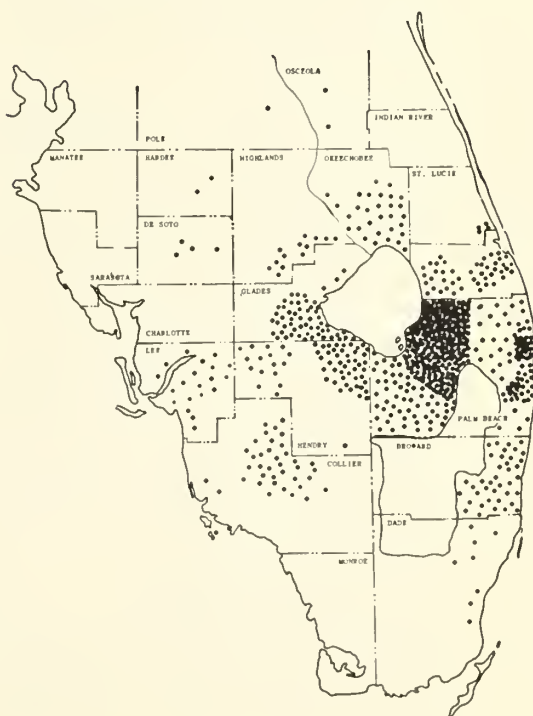


Table 6.—Number of consignors delivering indicated number of head, to Glades Livestock Market Association, 1951–54

Head delivered during year	Consignors delivering indicated number of head			
	1951	1952	1953	1954
1–24.....	185	231	575	646
25–49.....	27	60	120	134
50–99.....	29	58	93	119
100–199.....	18	24	64	74
200–299.....	8	9	17	25
300–399.....	1	6	9	14
400–499.....	1	4	3	6
500 and over...	2	2	5	5
Total...	271	394	886	1,023

Livestock Transportation

How does livestock in the Glades area reach the market? Several local cattlemen have 14-foot and 16-foot trucks available to haul cattle to the market. Five of these trucks are available on request most of the time.

Others are made available during the busier seasons of the year. Several ranchers who haul their cattle from 60 to 125 miles own their own semitrailers.

Two contract truckers living in Belle Glade have four semitrailers each. Each trucker has one 36-foot trailer. The other trailers are 34 feet in length. One large packer ships cattle in trucks supplied by a trucking firm with headquarters in Lakeland, Fla., about 150 miles from Belle Glade. Two “semi’s” from Okeechobee City, 50 miles from Belle Glade, and 3 “semi’s” from Davie Livestock, Davie, Fla., about 60 miles away, do considerable hauling to the market.

Charges for hauling cattle on “semi’s” are ordinarily 25 cents a mile 1 way or 50 cents a mile for a round trip. Special prices are given for long hauls, with 20 cents the minimum known to prevail at this time. For short hauls, the minimum charge is \$7.50 a “semi.” Charges for small trucks with capacity of 1½ to 2 tons capacity run 18 cents a mile with a \$5 minimum rate for one haul.

Yard Operations

A COOPERATIVE livestock auction operates primarily for the purpose of selling member-patrons’ stock at the best price possible and also as a source for procurement of replacement animals. Livestock must be handled efficiently through yards to prevent delays and excessive shrink. Information on services of yard employees and how labor is distributed at the Glades auction together with the forms used in keeping records may be useful to others engaged in a similar undertaking.

Receiving Cattle

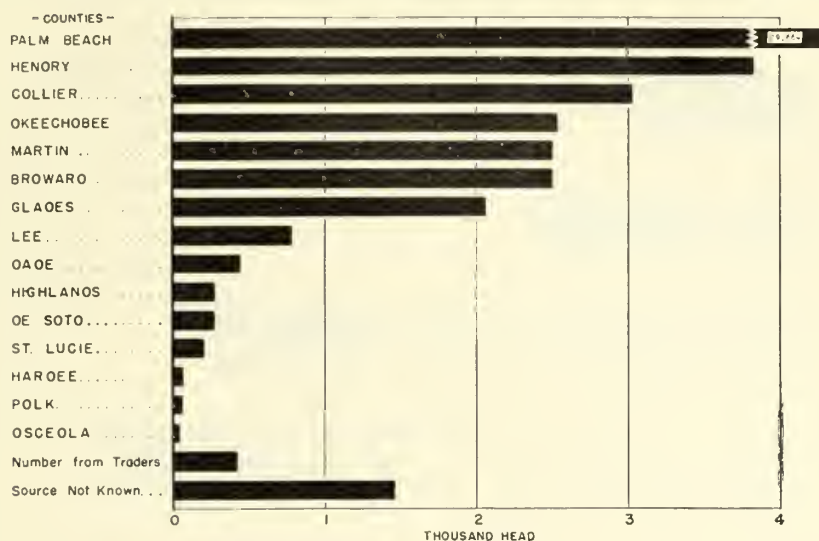
Dock workers, the men who receive livestock, and the man who routes animals to their respective pens, occupy important positions. As a rule

auction management follows a practice of assigning these duties to some of their best men. The first impression a consignor receives from a market is usually at the dock when he drives up to unload his animals. If the dock workers are courteous, helpful, and efficient, they convey a good impression to the shipper.

The Glades Market has two men assigned to unload cattle. Each helper counts the cattle in unloading. The count of the men helping to unload the cattle is checked by another man in the alley at the end of the receiving pens before stock is yarded in sales pens.

One man, known as the receiving clerk, makes out the Receiving Ticket (appendix, p. 50). This ticket is made out in triplicate on an automatic reg-

Figure 3.—Cattle sold through Glades Livestock Market Association, by counties, 1954.



ister. The trucker receives the original or white copy of this form, which he can present at the office as identification when he is paid by check.

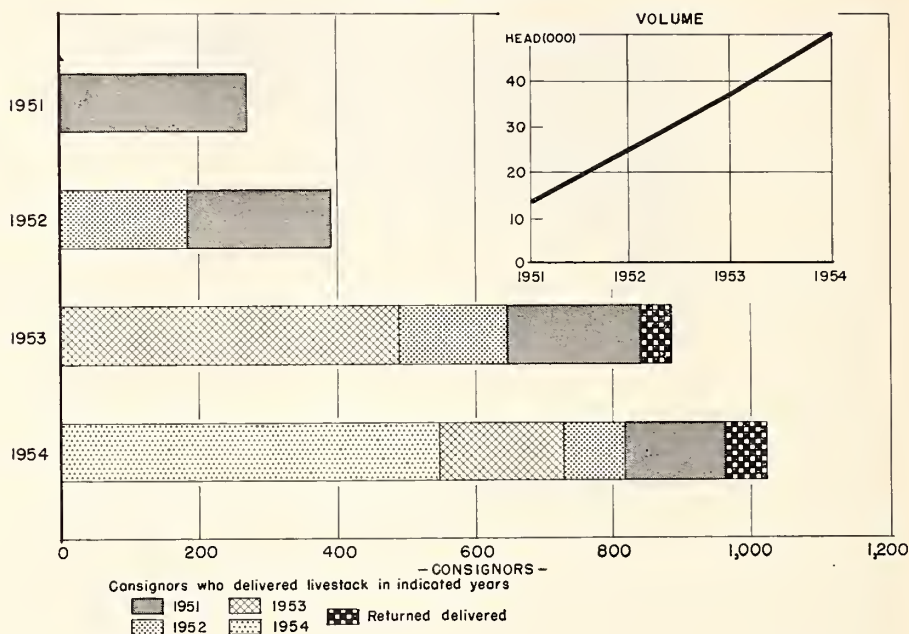
The duplicate or yellow copy of this form goes to the office where it is used for making up a consignors' list so that buyers may readily determine the ownership of any cattle in the pens and estimate the selling time of the partic-

ular cattle in which they are interested. After verification, this form is filed in the individual sale folder, where it is used for checking during the sale. On this form appear special instructions to the office concerning disposition of check, if it is to be mailed. If the triplicate or pen copy of this form is lost or destroyed, the duplicate from the office is used to identify the cattle.

Table 7.—Percentage of year's volume delivered by indicated group, 1951-54

Average annual deliveries (head)	1951		1952		1953		1954	
	Con-signors in group	Vol-ume delivered	Con-signors in group	Vol-ume delivered	Con-signors in group	Vol-ume delivered	Con-signors in group	Vol-ume delivered
Percentage								
1-24.....	68.3	14.5	58.6	11.0	64.9	12.1	63.1	10.4
25-49.....	10.0	8.7	15.3	10.7	13.6	11.6	13.1	10.1
50-99.....	10.7	18.3	14.7	20.9	10.5	18.3	11.6	18.4
100-199.....	6.6	23.2	6.1	18.7	7.2	25.4	7.2	23.7
200-299.....	2.9	18.2	2.3	11.1	1.9	11.5	2.5	12.9
300-399.....	.4	3.2	1.5	10.4	1.0	8.4	1.4	10.6
400-499.....	.4	4.2	1.0	9.3	.3	3.7	.6	6.0
500 and over....	.7	9.7	.5	7.9	.6	9.0	.5	7.9
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Figure 4.—Number of consignors and volume handled, Glades Livestock Market Association, 1951-54



The triplicate copy of the receiving ticket follows the cattle. While the cattle are in the pen, it is attached to the pen gate. When the cattle are removed from the pen, the triplicate copy goes to the weighmaster and the cattle are checked off by the weighmaster as they are weighed. In the event the proper number of cattle are not weighed, investigation is made at this time. After all the cattle of a given lot have been weighed and sold, the pink copy goes to the office with the scale tickets.

The receiving clerk also makes out the Yard Selling Record (appendix, p. 50). He completes this form from the triplicate copy of the receiving ticket. After completion, the yard selling record is used by the "Bring-up Man" for the purpose of bringing cattle to the "hot corner," the area from which cattle are moved to the scales. The form is not retained after the sale.

In the appendix, page 51, is a Checking Form used by assistants of

the receiving clerk who completes the receiving ticket. When the assistant has counted cattle off the truck, he then turns this form over to the truckdriver, who presents it to the person who makes out the receiving ticket in order to speed up unloading cattle.

The receiving clerk also fills in the Pen Chart (appendix, page 53). This chart, showing all the pens available for use, is completed by the receiving clerk. As each pen is filled, it is crossed off the chart. On days when large runs are anticipated, early receipts are placed first in pens in the buyers' alley, leaving about 20 pens vacant for use as the cattle are sold from that alley. After the portion of the buyers' pens being used has been filled, cattle being received are placed in the consignors' pens. Exceptions to this rule are that single animals are placed in single animal pens and pen-lot animals are placed in an area designated for pen-lot cattle. Bulls for sale are placed in

pecially constructed bullpens. Miscellaneous consignments, such as horses, are placed in small pens under the floor around the arena.

Yarding Sellers' Cattle

When the cattle have been assigned to pens, they are moved into the alley leading to the regular pens in the sales barn. One man counts the cattle in the alley. Three men work from the alley to the pens in yarding cattle. One stays in the barn, opens the gates, and pens the cattle. Including the 3 dock workers, this makes a total of 8 men required in the operation so far. Two additional men bring cattle from the pens to the "hot corner," or area adjacent to the scales. One man works the gates to move cattle from holding pens to the "hot corner." Two men in the "hot corner" move cattle into cutting pens, 3 men move them from cutting pens onto scales, and 1 man works the scale gates. There is 1 man to operate the scales—a weighmaster—and 1 man in the auction ring.

Weighing

The weighmaster is an experienced scale man who devotes his time when

not working at the market to selling and servicing commercial scales. He is an employee of the market, being paid on a fee basis for his services. At Glades the weighmaster is not bonded, since Florida law does not require that he be either licensed or bonded.

Cattle are weighed immediately prior to coming into the auction ring. The weighmaster sits behind and to the side of the auctioneer and the clerk, where his activities are visible to all the buyers. The indicator is fully visible to all the buying area. When an animal has been weighed, the weighmaster posts the weight on 1 side of a 2-sided blackboard about 8 by 10 inches. As the animal enters the ring, its weight is visible to all the buyers.

Yarding Buyers' Cattle

Following the sale, described in the section beginning on page 16, one ring clerk, a woman, calls the pen number and the buyer's name. This information is used at the check station described later. One auctioneer does all the selling.

One man opens the gate out of the ring. One man works the gate from the first to the second holding pen. Two men are employed at this point,



This is a combination arrangement of a watering tank and a self-feeder mineral trough in the pasture of a Glades' member. Cattle can obtain minerals before leaving the watering tank platform.

one working the gate and the other running the cattle down the alley. There are three men down the buyers' alley opening gates into the alley. Each man moves cattle down to pens beyond his station.

There is one transfer man who is responsible for moving cattle from all buyers' pens before these pens become overcrowded. The extra cattle are transferred to other pens vacated by selling cattle after the sale starts. For example, a man buys 100 cattle. They all go into a designated pen that may hold only 15 at a time. So the transfer man must yard them and keep track of the number of cattle yarded in the various pens.

Then a yardman at the check station records pen number and buyer's name and keeps a running total of how many cattle have gone into a given pen. He also watches the lane and sees that animals go into the correct pen. The checking booth sits off center and is elevated so he can see every pen where cattle are to be yarded.

The penning clerk also checks the yarding of animals to see that they are put into the correct pens in the buyers' alley. To enable him to do so from where he sits, the numbers on the gates of the buyers' pens are painted white on a black background and are graduated in size. They increase in size as the distance from the checking booth increases, according to the following scale:

<i>Distance from checking booth (feet)</i>	<i>Height of numbers (inches)</i>
0 to 105.....	6
105 to 160.....	15
160 to 260.....	24

Forms Used

The Scale Ticket (appendix, p. 51), is a special snapout form in triplicate. The weighmaster places on the scale ticket the lot number, number of head, and kind. The clerk inserts the pen number to which the bought cattle are assigned, the buyer's name,

and the price paid. He then places the triplicate copy or cardboard copy of the scale ticket on a stick file in the order of sale.

The first and second copies of the scale ticket go to the office where the calculation is extended. After the calculated amount has been placed on the ticket, one copy goes to the seller's statement position and the other to buyer's statement position. En route to the buyer's statement position, the extension is verified by another calculator. Scale tickets and other communications from the clerk's position are transported by means of a small airplane cable powered by a sewing machine motor attached to a bicycle wheel. The office retains the copy from the clerk's stick file.

The original Account Sale, or seller's statement (appendix, p. 51), which gives all the information concerning sale of his livestock, is sent to the consignor. The duplicate copy is the bookkeeper's posting medium and after being used for this purpose is filed in the individual sales folder. The triplicate copy is filed alphabetically in the office for ready reference to determine the detail of individual sales by the consignors.

The Account Purchase, or invoice, or buyer's statement (appendix, p. 52) is kept alphabetically by the buyers' clerks who post to this form as they receive copies of the scale ticket. The original of this form goes to the buyer. The duplicate, or yellow copy, is the bookkeeper's posting medium. After being used for posting, it is placed in the individual sale folder. The triplicate or blue copy is used for loading out cattle. When the sale is over, this form is used for checking the number of cattle in the different pens. In the event it has been necessary to transfer cattle because of overloading pens or other reasons, the numbers of new pens to which cattle are assigned are placed on this form so that the load-out man may know where the cattle are. After the cattle are loaded out, this form is returned to the office where it is filed alphabetically and

used for reference as to detail of purchases made. Should this copy of the form be lost in the load-out procedure, reference can be made to the bookkeeper's form, or to the duplicate copy of it.

The load-out man places on the Loading Ticket (appendix, p. 52) the number of cattle loaded from the different pens for each buyer. He initials the form as employee of the market and secures the signature of the trucker who receives the cattle. One copy goes to the trucker and the other copy is retained for the individual sale folder.

The penning clerk occupies a position where all the buyers' pens can be observed and has before him a ruled pad, 8 by 14 inches, on which he writes each individual pen that is announced by the sales clerk. He also has before him a large pad, 17 by 12 inches, on which are listed all the buyers' pens in numerical order. When a pen is assigned to a buyer, his name is written to the left of the number and as purchased cattle are placed in the pen, they are tallied on this form. At all times, the number of cattle in an individual pen must agree with the number tallied on this form, which provides a ready check list for use in making up the buyers' statements at the end of the sale.

Sanitary Measures

The Glades Market was built on about 8 feet of muck soil over which some 24 inches of sand fill was placed before construction. Pens and alleys had only sand floors. Some difficulty has been experienced due to unsatisfactory drainage. Mud accumulates in some of the pens subject to unusually heavy use and must be removed by wheelbarrow. Once a year, but sometimes more often, about 2 inches of sand is placed in the pens. No hay or bedding has been put in the pens except for experimental purposes. Recently concrete floors have been laid in some pens to determine if this

type of floor is superior to the sand floor.

Disinfectants have been used to saturate the pen area on a few occasions. The only difficulty so far comes from moisture in the pens during wet weather. At this time a few of the pens acquire a foul odor. Removal of the wet matter from the pens solves the problem.

The auction ring is whitewashed, and requires a new application about once each month. Gates and construction facing the front of the barn or situated where they may be observed from the sales arena or from the outside of the barn are painted white.

State Inspection

The State Livestock Board of Florida maintains two inspectors at the market on each sale day. These inspectors are not veterinarians but work under instructions from the chief Florida State veterinarian. They are employed under a provision in the Florida law for tick eradication. Primarily their work is to examine cattle coming to the market for possible tropical fever ticks, although no tropical fever ticks have been reported in Florida since about 1947.

They also see that no cattle branded on the jaw with a "B" as a result of a positive Bangs test are allowed to go into the market area. Should an animal be permitted to be unloaded that has been so branded, the area where the animal went within the market would be quarantined until disinfected. These inspectors may question the right of any animal to be unloaded if it is not healthy; however, no such question has yet been raised concerning any animal unloaded at Glades Market.

Veterinary Service

A veterinarian lives in Belle Glade about 2½ miles from the market. His services are seldom required and then mostly for making inspection of cattle to be shipped outside the State. The

owner of the cattle pays for all veterinary services to his livestock. The

shipper usually assumes responsibility for inspection charges.

Selling

ALL COMMERCIAL livestock and most of the purebred animals handled through Glades Livestock Market Association are sold at auction. This cooperative had the usual problems any livestock auction is likely to meet, such as delays and long hours, but has been unusually successful in meeting them. This section describes how Glades has been able to streamline and speed cattle sales.

Order of Sale

Cattle are allocated in lots for sale according to their arrival. Cattle grouped by the producer for sale in pen lots have a special order of selling. Having a regular order of sale and following uniform practices lead producers to understand and appreciate the order in which their cattle will be sold.

Starting Bids

The auctioneer is an experienced stockman who starts each animal in the ring with an opening bid. In starting bids the auctioneer uses, as a basis for prices asked, the price levels of other markets and auctions. Having the auctioneer start the bids eliminates need for having a ring man do this job. After a satisfactory workout the stock is sold. The auctioneer announces the name of the buyer and the price paid for the stock.

Moving Stock Through the Ring

A ring man expedites movement of stock through the ring by operating the gate entering the ring and the gate leaving the ring with a rope and pulley arrangement which saves time. The ring man operates from a platform below the auction booth and keeps the animals in the ring moving.

The ring operation could be speeded further, however, by installing hydraulic gates, which could be operated by the weighmaster using foot controls or the ring man using pushbutton controls.

Buyers at the Glades livestock auction have several advantages. They can operate in a well-lighted ring and one large enough to permit ample visual inspection of the animals. The cattle have been weighed prior to entering the sales ring, so that every buyer knows the weight of the animal on which he is bidding. This arrangement is particularly advantageous to farmers and ranchmen when purchasing stocker and feeder animals. Then too, without delaying the sale, the auctioneer may give each animal a workout so the buyers have time to really see them while they are in the ring and get in their bids. Buyers do not have to compete with the auctioneer in purchasing stock. The auctioneer has no financial interest in the auction and does not buy at the auction for his own account. Buyers are not permitted to purchase livestock before the sale starts. Lastly, all buyers are treated alike. There are no favorites and no favoritism is shown in selling stock.

Purebred Sales

Special sales of purebred stock are held from time to time. For example, in January 1955, Florida Aberdeen Angus Association consigned 52 purebred bulls to be auctioned off at a special sale held on a Saturday afternoon. On September 21, 1955, a large purebred sale of Hereford bulls and heifers was held on other than a regular market day.

The association makes it a practice to encourage consignments of pure-



Steers enter the ring at Glades Livestock Market. The gates by which cattle enter and leave the ring operate on an inclined rail with trolleys and rope attached. As the operator releases the rope, the gate slides back into closed position.

bred stock for sale at the auction. It provides special pens for showing the animals, and the owner is free to sell them through the auction ring or by private treaty, with the animals remaining in the pens.

Selling Problems in Large Sales

The typical auction handling a large volume of business may have its sales run far into the night or the early hours of the following morning. This situation works a hardship on the auction management and personnel, through long hours and higher costs with more chance of mixups from handling stock after dark. Producers do not like this situation as they frequently are not able to see their stock sold. Buyers, particularly those who make an auction each day, also do not like this schedule as it may mean a workday of 16 hours or even longer. Many packer buyers, as part of their duties, are expected to purchase stock

at auctions regardless of late hours of sale and then take to the field early next morning to purchase stock in feedlots and pastures before the next sale. Most buyers, then, especially appreciate any arrangement developed to cut down on hours of sale.

The Glades Livestock Market experienced the problem of long hours when the market began handling about 800 cattle regularly during certain periods of the year. Two approaches to solving the problem were made. One was to speed up the operation by analyzing and eliminating delays occasioned by poor arrangement of pens and alleys and untrained personnel at different stages of the selling operation. The other was to promote the sale of cattle in pen lots.

Improvements were made in the yard setup, particularly in speeding up the movement of cattle through the "hot corner" into the ring and in training personnel to handle livestock more efficiently in all phases of opera-

tion from receiving stock at the dock to final loading out of stock to buyers. Much time is lost in auction operation by not knowing good techniques in handling unruly animals. This problem had to be met at Belle Glade.

Pen Selling

Pen-lot selling has been tried and proven satisfactory during seasons of the year when large consignments are the rule. Under this plan, a man can grade his cattle in his own pens, bring them to the market, and place them in an individual pen for sale as a group.

In order to encourage pen selling, arrangements were made to sell all pen-lot cattle at approximately 3 p. m. To be sold at this preferred time, however, cattle must be at the market before the sale starts at 1 p. m. This results in saving time not only for the consignor of pen lots but also for other consignors. With no pen-lot sales the small consignor bringing his cattle at noon when large numbers of cattle are being sold, may have to wait until 10 p. m. for his cattle to be sold. With the larger consignors selling cattle in pen lots, thus speeding up sales, all consignors may have their cattle sold by 6:30 p. m. or earlier.



Cattle sorted for sale in pen lots. Glades has pioneered in this type selling, an important factor in increasing number of cattle sold per hour and reducing total time of sale.

Thus the system of selling cattle in pen lots has been established as a service for both stockmen and buyers. A shipper who wants to sell in pen lots will notify the association. The association will then allot the shipper time on the cutting chutes in the order of the application. The shipper must be responsible for his own sorting and shaping of cattle. However, the association will perform that service if there is sufficient time and personnel available. Cattle are sorted and shaped up according to kind, weight, and grade although color and breed are also considered.

Sorting the cattle into pen lots saves time in putting the cattle through the ring, in yarding and penning them, and otherwise handling them in the yard. It saves time not only in the yards and the ring but in the office also, in accounting for cattle and making returns to shippers.

Many markets handling the volume of stock consigned to the Glades Livestock Market Association would be selling stock far into the night. As it works out in practice the association starts to sell at 1 o'clock and is usually through by 6 or 7 in the evening. With limited volume, sales may be over by 3 or 4 o'clock.

As an example of how this works out take Monday, May 2, 1955, when the association sold 1,424 cattle consisting of 257 cows, 907 steers, 21 yearlings, 150 calves, 80 heifers, and 9 bulls. Fifty-one percent of these cattle were sold for slaughter. At this sale the selling rate averaged 181 an hour. The fast selling rate was made possible because of the large consignment of pen-lot cattle. In this sale 610 head in 68 pen lots were sold in 1 hour, 33 minutes.

On Wednesday, May 4, 1955, the market sold 606 cattle. These consisted of 152 cows, 227 steers, 111 heifers, 45 calves, 7 bulls, and 64 yearlings. Thirty-six percent of this number went for slaughter. The total time consumed for the 2 sales was 12 hours, 15 minutes. During this period 2,030

head of cattle valued at \$150,650.56 were sold.

The real test, of course, in pen selling of cattle is the relative returns of cattle sold in pen lots and those of the same grade and weight sold singly. A check was made of comparative prices paid for a few classes and grades of stock sold in pen lots and as singles. The Common stocker steers in pen lots had a price advantage ranging from 40 to 75 cents per 100 pounds. There was also a price advantage in pen lots of Utility grade slaughter steers, but this was smaller ranging from 5 to 45 cents per 100 pounds. For a complete picture, checks should be made on larger numbers including other classes and grades of cattle.

Buyers were usually more alert and attentive when the pen lots of cattle were brought into the ring. They knew that they would have an opportunity to buy 10 or more cattle at one purchase. When single animals were being sold, individual buyers were more inclined to carry on conversations or to leave their seat for a few moments of relaxation.

Oftentimes, pen-lot cattle will also bring more money than single ones during a short sale. The fact is evident that producers will make a greater effort to get their cattle sold in pen lots when the sales are larger.

Glades gives special consideration to pen-lot selling by placing a maximum of \$3 commission per animal for consignments by members of cattle in pen lots of 10 or more rather than on a percentage commission basis as with singles. Also a special set of rules has been drafted by the association governing the sale of pen cattle (appendix, page 62).

Establishing a Second Sale a Week

Another approach to solving the problems incident to large sales has been to establish a second sales day during the week. In the beginning the Belle Glade sale was held on Thursday to fit in with the schedule



To speed sales hydraulic gates as pictured can be installed on scales or at the entrance to, or exit from, the ring. The gate is open in foreground and closed in rear.

of other sales in South Florida. The sale day later was changed to Wednesday and then to Monday. Weekly sales were conducted until August of 1953 when the management decided to try two sales a week during that month on an experimental basis. The second weekly sale was held on Thursday. Small runs were the rule for the Thursday sale, but it did point to some possibilities for solving a number of problems. Two sales—Monday and Wednesday—were established as a permanent feature in April 1954.

Establishing this program of two sales a week was prompted by the problem of handling a large volume of business at one sale. The largest individual sale has been approximately 1,400 cattle in one day which is about the maximum volume that can be handled with the working crew as set up. Sales ranging from 1,400 to 2,000 cattle a day could be held by having a second auctioneer and a second clerk as relief. The yard crew also would virtually have to be doubled.

With the limited number of buyers in the lower peninsula of Florida and their inadequate holding facilities, it has seemed wise to continue two sales a week. The program has proved



Here is the regular buyers' section in the Glades Market with buyers bidding on a steer in the ring. The auctioneer starts the bids and gives the stock a good "workout" in obtaining bids and selling to the highest bidder.

convenient for both shippers and buyers. Many times it is not convenient for stockmen to round up their livestock and get it to a Monday sale, as this may mean working cattle over the weekend. Then too, most of the packer buyers in the Miami area have limited pen facilities. This means that they have to operate largely on a day-to-day basis and buy their livestock and have them delivered currently with their slaughter program.

With auctions held on Monday and Wednesday of each week, buyers can purchase all or practically all of their needed volume at the auctions and do not have to spend so much time in the country to fill their requirements. With only the Monday sale, the buyers were forced to purchase livestock in the country to take care of their kill the latter part of the week.

Maintaining the Wednesday sale

has not been easy. In November and December of 1954, volume fell as low as 15 head. Buyers became irregular in attending sales. Volume increased, beginning in 1955, but is still too low.

A distinct handicap to the Wednesday sale is the fact that one large packer cannot be represented. The competition of this one particular packer is felt primarily in calves. Consequently calf buying power is limited in the Wednesday sale.

This situation is particularly important to ranchmen who operate in the sandy area some 50 miles or more north and northwest of the market. They are largely producers of calves and comprise 40 to 50 percent of consignors to the Wednesday market.

This is a problem which will have to be worked out. In the absence of sufficient buying competition, the

association may need to secure a packer order to make prices more competitive.

An examination of prices paid on large and small receipts fails to reveal any particular discrimination one way or the other. It is probable that buyers have learned to anticipate large runs; thus more are attracted to the market and help maintain firm prices with their extra buying competition. Consignors are aware of this fact and are not influenced too much in their consignment program by large runs on a previous week's sale.

Financially the Wednesday sale has paid its way. During the 25-week period from April 6, 1955, to September 21, 1955, the association handled 7,300 cattle. During this period \$13,112.32 was received from commissions and \$1,092.29 from yardage making a total income of \$14,204.61. This was an average income per sale of \$556.18.

The payroll of the association was checked for the 4 weeks of August 1955, a fairly representative period. During the 4 weeks the average weekly payroll of the Wednesday sale totaled \$231.11. Deducting this item from the average income of the sale left an average weekly margin of \$325.07 for the second sale on Wednesday. Allowing for depreciation the Wednesday sale would still

make money providing the April to September volume of business holds up. However, Glades has been unable to provide enough cattle regularly to meet requirements of buyers and has decided to close the Wednesday sale during the period of light receipts early in the year.

Accounting to Shippers

The office force is set up at one continuous desk so that the papers and forms pass from one clerk to another. As the tickets and other papers arrive from the ring clerk, they go to a clerk in the office who is in the number one position. This clerk calculates the gross returns from weight and price on each ticket. He separates the two copies and passes them to the number two position.

The clerk at the number two position lists the individual scale tickets on the seller's statement, attaches all scale tickets thereon when the lot is completed, and prepares the check. She then returns check and statement to the clerk in the number one position who adds the gross on each draft, deducts commission and yardage, and removes one copy of the check to enter in the seller's ledger for permanent record. The check is then returned to the clerk in the number two position who cuts the check on the checkwriter



Cattle on feed and consigned to Glades Market.

and files it in the box file alphabetically until it is called for by the seller. Original copies of the scale tickets are passed to position number three.

The clerk at position number three recalculates each item, sorts tickets as to different buyers, and helps the clerk at position number four to post to buyers' statements, which are filed in a box file alphabetically. The clerk at position three also answers the telephone and uses the intercommunication system to call people wanted.

The clerk at position four posts the purchased cattle to the buyers' statements, and files them alphabetically in a box file. She handles the money received for cattle, as may the clerk at number three also. Copies of scale tickets are attached to each bill. After the sale, this clerk posts the purchases in a ledger for permanent record. The sellers' ledger and the buyers' ledger must check as to number of head and gross sales. The ledger must also check with the cash paid in.

The association follows the practice of completing account sales and giving shippers their account sales and checks before they leave the sale if possible.

All account sales and checks not given out on the day of the sale are mailed the following day.

Comparative Prices

Prices of commercial slaughter steers at the Glades Livestock Market were compared with prices of similar grade cattle at Chicago and Kansas City for the period 1952-54, except for a gap in the data available for the month of April 1954. It is apparent from study of these prices that Commercial steers sell pretty much in line with Chicago and Kansas City for the first quarter of the year. Following that the spread begins to widen reaching a maximum in some instances of over \$3 per 100 pounds more at Chicago and Kansas City during the fall months (table 8 and fig. 5).

A comparison of prices received at the Belle Glade market on Utility steers with Chicago and Kansas City markets in 1954 shows a price pattern similar to that for Commercial steers (fig. 6). Prices at the Belle Glade market compared favorably with those at the other 2 markets for the first 3

Figure 5.—Prices of beef steers for slaughter at Chicago, Kansas City, and Glades Livestock Market, Belle Glade, Fla., by months, 1954—Commercial.

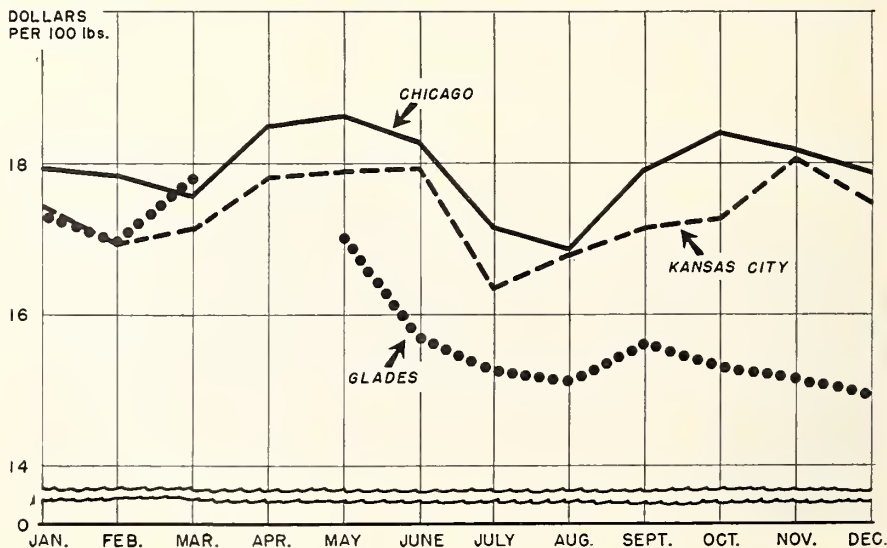
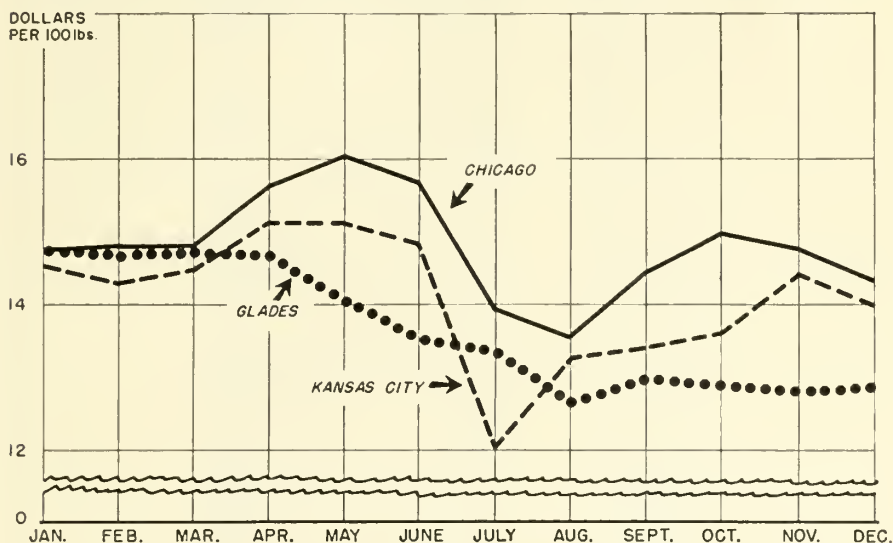


Figure 6.—Prices of beef steers for slaughter at Chicago, Kansas City, and Glades Livestock Market, Belle Glade, Fla., by months, 1954—Utility.



months of the year. Thereafter the spread widened, reaching its maximum in May and June and in the fall months of September and October. During these periods prices at Belle Glade were \$1.50 to \$2.50 lower than at Chicago and Kansas City.

A comparison was made of prices of Medium and Common stocker and feeder steers weighing 500 to 1,000 pounds at the Glades Market with 4 other markets—Chicago, Kansas City, Oklahoma City, and Fort Worth—for 1954 (table 9 and figs. 7 and 8).

On Medium steers it was not possible to get a complete price series for the year. On this grade of animals prices at Belle Glade were fairly comparable with prices at Fort Worth. Other markets were consistently higher.

In the case of the Common grades, Belle Glade prices equaled Chicago and Kansas City during February and March but went down in the summer and fall months. The Glades Market, however, was consistently higher on this class of stock than either Oklahoma City or Fort Worth.

A comparison was made of prices of slaughter and stocker cattle at Belle

Glade Market and at five South Florida markets, including Belle Glade. It was not possible to secure a breakdown of prices eliminating the Glades Livestock Market (table 10).

There was little price advantage either way in Commercial and Utility steers and heifers.

In slaughter cows the Glades Market had a distinct margin of 22, 38, and 15 cents per 100 pounds for Utility, Cutter, and Canner cows, respectively. There was little difference in prices of slaughter calves.

In stocker steers there was a slight difference in prices of Medium and Inferior grades. However in Common grades the Glades Market had a 43-cent advantage.

In the Good grade of stocker calves, the five markets had a distinct advantage in sales with a price margin of \$1.56. On Common and Inferior calves they averaged 74 and 77 cents, respectively, above the Glades Market.

Observations on Sales

As one observes the sales it is apparent that buyers of both slaughter and stocker and feeder animals have their

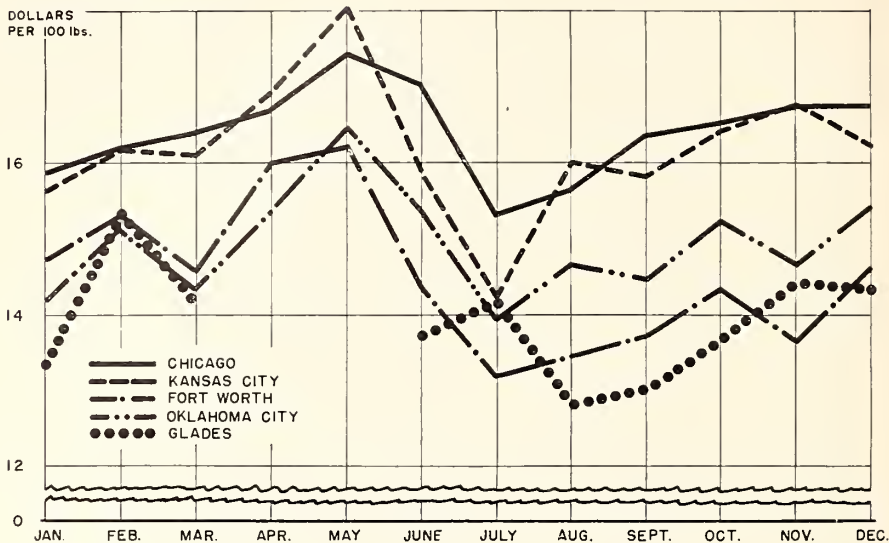
Table 8.—Prices of beef for slaughter at Chicago, Kansas City, and at Glades Livestock Market, Belle Glade, Fla., by months, 1954—Good, Commercial, and Utility

Grade and market	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<i>Dollars per 100 pounds</i>												
<i>Good (700-900 lbs.)</i>												
Chicago.....	20.97	20.70	20.48	21.37	21.14	20.91	20.27	20.11	21.10	22.08	21.98	21.99
Kansas City.....	20.23	19.65	19.79	20.28	20.62	20.43	19.00	19.38	19.84	20.07	20.61	20.85
Belle Glade.....	19.05	18.81	.....	.....	20.75	19.25	16.50	17.50	19.25	.....	19.25	19.81
<i>Commercial</i>												
Chicago.....	17.96	17.87	17.57	18.50	18.63	18.29	17.15	16.85	17.94	18.40	18.18	17.89
Kansas City.....	17.44	16.93	17.16	17.72	17.90	17.93	16.36	16.81	17.14	17.28	18.06	17.48
Belle Glade.....	17.31	16.97	17.80	.....	17.02	15.69	15.28	15.11	15.62	15.30	15.14	14.94
<i>Utility</i>												
Chicago.....	14.78	14.80	14.81	15.64	16.04	15.71	13.91	13.53	14.46	14.98	14.76	14.32
Kansas City.....	14.54	14.31	14.50	15.12	15.12	14.82	12.02	13.28	13.40	13.61	14.41	14.00
Belle Glade.....	14.75	14.69	14.73	14.68	14.05	13.52	13.36	12.67	12.99	12.90	12.81	12.88

Table 9.—Prices of stocker and feeder steers at four terminal markets and Glades Livestock Market, Belle Glade, Fla., by months, 1954—Medium and Common

Grade and market	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<i>Dollars per 100 pounds</i>												
<i>Medium</i>												
Chicago.....	15.89	16.20	16.41	16.71	17.47	17.07	15.32	15.68	16.40	16.55	16.75	16.75
Kansas City.....	15.66	16.19	16.11	16.94	18.08	15.88	14.23	16.00	15.85	16.44	16.69	16.27
Oklahoma City.....	14.19	15.18	14.32	15.40	16.48	15.32	13.93	14.68	14.48	15.24	14.68	15.43
Fort Worth.....	14.75	15.31	14.60	16.01	16.24	14.38	13.20	13.48	13.74	14.36	13.69	14.64
Belle Glade.....	13.37	15.33	14.14	.....	.....	13.73	14.20	12.84	13.01	13.67	14.41	14.34
<i>Common</i>												
Chicago.....	15.32	13.65	13.93	14.32	15.04	14.48	12.54	12.18	12.90	12.85	12.75	12.95
Kansas City.....	12.68	13.12	13.25	14.24	15.08	12.47	10.82	12.81	12.50	12.88	13.06	12.43
Oklahoma City.....	11.13	12.50	11.31	12.10	13.04	11.61	10.58	11.40	10.95	11.58	10.68	11.73
Fort Worth.....	11.88	12.06	11.60	13.22	13.22	11.62	10.58	10.89	11.07	11.42	11.25	12.08
Belle Glade.....	12.50	13.53	13.42	14.22	13.66	12.46	11.88	11.35	11.46	11.87	12.39	12.31

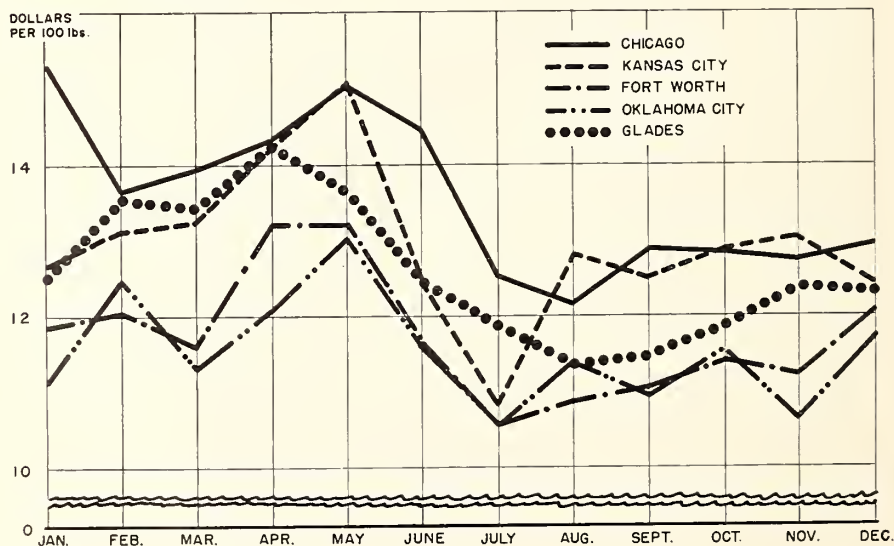
Figure 7.—Prices of stocker and feeder steers at four terminal markets and Glades Livestock Market, Belle Glade, Fla., by months, 1954—Medium, 500–1,000 pounds.



own preferences as to breed of animals purchased. Some bid up Brahman crossbred steers of Commercial and

Utility grade over British bred steers of like finish. These buyers say they get better yields on the Brahman cat-

Figure 8.—Prices of stocker and feeder steers at four terminal markets and Glades Livestock Market, Belle Glade, Fla., by months, 1954—Common, 500–900 pounds.



tle. Others buyers take the opposite view and say the carcass bruises on Brahman cattle offset the higher yields.

Some stocker and feeder buyers seem reluctant to bid on animals of British breeds with long hair such as Angus and Hereford. On the other hand some buyers who are familiar with the English blood stock will bid these cattle up and pay a premium of

50 cents or more per 100 pounds, holding on the basis of experience that when the stock are finished they will find a market and may bring 1½ to 2 cents more at the same auction.

Most of the calves purchased by the large packers and buyers of Good and Choice calves have been in the Good grade. One independent packer has purchased and provided important

Table 10.—Comparison of average annual cattle and calf prices at Glades Livestock Market with average prices at five southern Florida markets, 1954

Grade and class	Prices at—		Margin favoring—	
	Belle Glade	5 markets	Belle Glade	5 markets
Slaughter:				
Steers:				
Commercial.....	16.00	16.05		0.05
Utility.....	13.86	13.85	0.01	
Cutter.....	11.58	11.68		.10
Canner.....	8.71	9.00		.29
Heifers:				
Commercial.....	14.80	14.93		.13
Utility.....	12.58	12.50	.08	
Cutter.....	10.14	10.16		.02
Canner.....	8.21	8.44		.23
Cows:				
Utility.....	11.06	10.84	.22	
Cutter.....	9.49	9.11	.38	
Canner.....	7.64	7.49	.15	
Bulls:				
Utility.....	12.91	12.88	.03	
Cutter.....	10.85	11.00		.15
Canner.....	8.66	8.57	.09	
Calves:				
Good.....	15.87	15.78	.09	
Common.....	13.40	13.42		.02
Utility.....	11.54	11.33	.21	
Cull.....	8.92	9.17		.25
Stocker:				
Steers:				
Medium.....	13.93	13.97		.04
Common.....	12.66	12.23	.43	
Inferior.....	10.13	10.15		.02
Heifers:				
Common.....	11.34	10.91	.43	
Inferior.....	8.73	9.31		.58
Cows:				
Common.....	10.11	9.74	.37	
Inferior.....	7.23	7.46		.23
Bulls:				
Common.....	11.26	10.88	.38	
Inferior.....	8.59	8.62		.03
Calves:				
Good.....	15.40	16.96		1.56
Medium.....	13.03	13.11	.08	
Common.....	11.17	11.91		.74
Inferior.....	9.00	9.77		.77

competition for Medium grade calves. Glades Market ranks high among area markets in number of buyers and in buying competition.

Time Studies of Sales

Time studies made at the Glades Market show little difference in rate of selling except for pen lots of cattle. Calves were sold on the average of 15.6 seconds. Steers and butcher cows, including cutters and canners, went through the ring on an average of 15.4 seconds. Steers averaged the same rate. Pen lots of cattle were sold on the average in 20 seconds. This was actual workout time. Any delay in getting animals in or out of the ring was not charged against the time of sale. These figures apply to commercial stock. Purebred animals are given a much longer workout, which may range from 20 to 45 seconds or in some instances longer.

Buying Competition

At the close of the fiscal year of the association on July 31, 1955, there was a record of 20 slaughter and

packer buyers who had purchased butcher stock at the market during the year. Fig. 9 shows locations of chief slaughter plants that buy from Glades.

During the 3-year period, 1952-54, a total of 15 packers purchased some stock in each of the 3 years. Nine slaughter and packer buyers purchased stock in every quarter. Of this group 4 killers increased their purchases materially in 1954 over the 2 previous years (table 11 and fig. 10).

The nine heaviest buyers over the 3-year period accounted for 49.6 percent of the total purchases. All the remaining buyers bought 50.4 percent of the total.

The largest buyer in 1954 purchased 24 percent of the total butcher stock bought by the 20 buyers.

Continuity of Purchases

In comparing continuity of packer purchases for 1953 and 1954 it was found that out of nine packers who were the largest purchasers at the market, three packers purchased more times during each quarter in 1954 than they did in the corresponding quarters in 1953. Two other packers purchased more times in three quarters in 1954 than in the corresponding quarters of the previous year. All the packers except three purchased at more sales in 1954 than in 1953 (table 12 and fig. 11).

This analysis, however, does not tell the whole story. The three packers who increased their purchases each quarter over the corresponding quarter the previous year came up with the following scores: Packer 1, 37 to 55; packer 5, 42 to 69; and packer 7, 52 to 73. Packer 6 and packer 9, who showed increases in each of three quarters, had totals for the yearly comparison of 56 to 80 and 51 to 73, respectively.

Consistency of purchase is important to a market. A packer buyer who is on the market every sale bidding and purchasing livestock is worth more to the market in competition than one

Figure 9.—Location of slaughter plants buying from Glades Livestock Market Association.

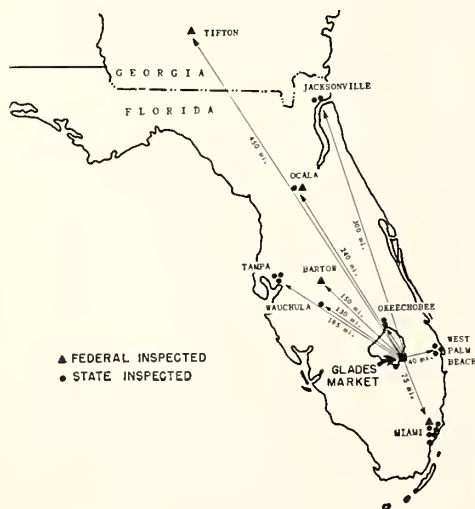


Table 11.—Volume of purchases by 9 highest regular packer buyers, by quarters, 1952-54

Buyer	Year	1st quarter	2d quarter	3d quarter	4th quarter	Total
		<i>Head</i>	<i>Head</i>	<i>Head</i>	<i>Head</i>	<i>Head</i>
1.....	1952	.....	.....	3	.....	3
	1953	54	153	540	543	1,290
	1954	482	474	590	451	1,997
2.....	1952	228	315	161	215	919
	1953	352	721	389	237	1,699
	1954	215	613	501	109	1,438
3.....	1952	276	198	312	376	1,162
	1953	322	599	417	793	2,131
	1954	354	329	540	511	1,734
4.....	1952	92	299	325	323	1,039
	1953	601	480	591	528	2,200
	1954	270	677	435	542	1,924
5.....	1952	.....	.....	455	563	1,018
	1953	501	519	421	584	2,025
	1954	605	875	712	394	2,586
6.....	1952	225	321	394	315	1,255
	1953	336	461	571	693	2,061
	1954	554	820	861	795	3,030
7.....	1952	269	209	277	383	1,138
	1953	501	1,068	758	744	3,071
	1954	1,028	947	599	417	2,991
8.....	1952	286	390	351	401	1,428
	1953	622	1,049	881	631	3,183
	1954	675	759	941	700	3,075
9.....	1952	287	228	331	327	1,173
	1953	425	1,267	1,250	995	3,937
	1954	724	1,810	2,096	1,848	6,478

who buys intermittently and may not be present on the market days when competition is needed most.

In analyzing buying competition volume of purchases must be tied in

with consistency of purchases. Actually 1 of the group of 9 regular packer buyers purchased more than double the number of cattle bought by any other packer.

Personnel

AT THE Glades Livestock Market six regular employees are permanently on the payroll. These include the manager, the bookkeeper, the barn superintendent, and three helpers.

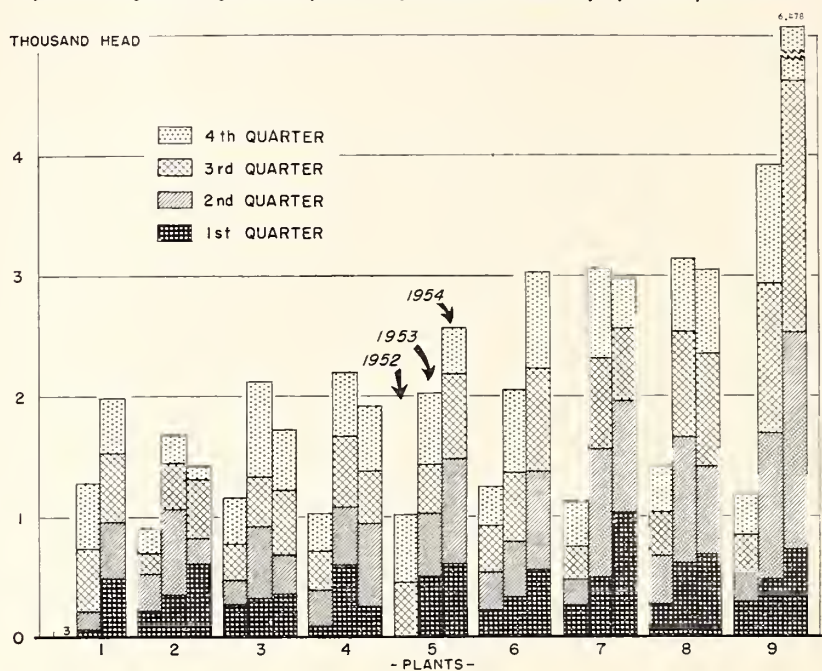
Duties of Employees

The bylaws provide that the manager under the direction of the board of directors shall have general charge of the ordinary and usual business operations of the association, including purchasing, marketing, and handling

all products and supplies handled by the association.

The manager is required to maintain his records and accounts so that the true and correct condition of the business may be ascertained therefrom at any time. He is also directed to render annual and periodic statements in the form and in the manner prescribed by the board of directors and subject to approval of the board of directors. The manager has a right to employ, supervise and dismiss all agents and employees of the associa-

Figure 10.—Volume of purchases from Glades Livestock Market Association by nine highest regular buyers for packing plants by quarters, 1952-54.



tion not specifically hired by the board of directors.

Aside from the specific duties of the manager provided in the bylaws, the

manager performs many other duties and services in addition to supervising the actual handling and selling of livestock at the market. He is called upon

Table 12.—Number of times purchased by 9 highest regular packer buyers, by quarters, 1953-54

Buyer	Year	1st quarter	2d quarter	3d quarter	4th quarter	Total
1.....	1953	5	6	14	12	37
	1954	13	14	15	13	55
2.....	1953	9	11	8	8	36
	1954	4	10	9	5	28
3.....	1953	9	12	9	12	42
	1954	10	8	12	9	39
4.....	1953	11	10	11	13	45
	1954	10	11	13	10	44
5.....	1953	10	11	10	11	42
	1954	12	21	20	16	69
6.....	1953	13	14	15	14	56
	1954	13	21	24	22	80
7.....	1953	11	13	16	12	52
	1954	13	19	21	20	73
8.....	1953	13	14	12	9	48
	1954	13	19	23	22	77
9.....	1953	13	12	14	12	51
	1954	9	18	25	21	73

to do considerable field and public relations work. He works with many producers in planning their production and marketing program. This work also includes scheduling and holding meetings in the trade territory of the association and preparing material for advertising, for articles in papers and magazines, and for radio programs and spot announcements.

The bookkeeper of the organization, a regular employee, keeps all accounts and records and works with the office staff on sales days. The barn superintendent is responsible for handling all yard personnel on the day of the sale, for all maintenance, and for keeping the yards in repair.

Three yard workers employed regularly assist with yard operations on sale days. At other times they are busy in the yard cleaning pens, dehorning, branding or castrating or otherwise handling livestock in the yards; or they are hauling livestock by truck to market for sale or for delivery to buyers. There are times when shippers are not able to obtain private truckers to haul their cattle. The association will help out in such emergencies by transporting the stock

to the sale at regular fees charged by other truckers. In addition to the foregoing the yard helpers perform many other regular or special jobs which come up from time to time.

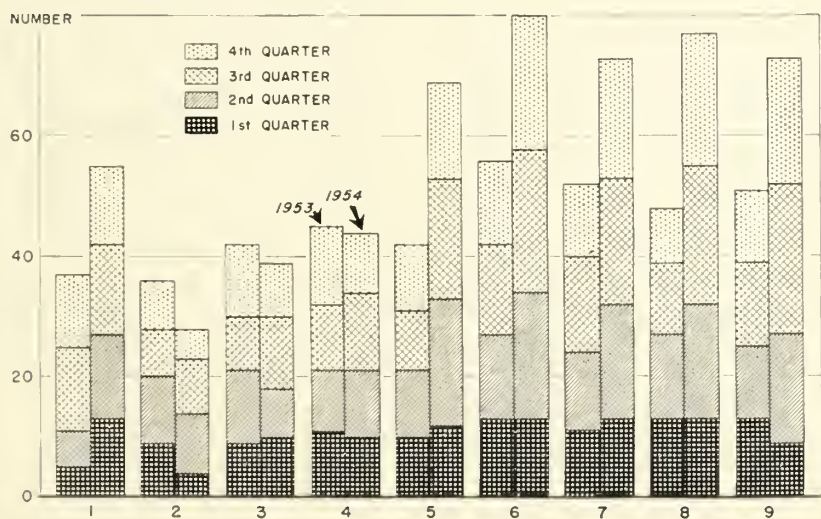
Employee Turnover

Personnel is a perennial problem in conducting an auction market operation. There is no way to avoid a high turnover of employees unless an association is fortunate enough to secure farm or ranch help who will regularly leave their operations for 1 or 2 days a week and help with the yard work at the auction. It is usually easier to obtain clerical help in the office by employing women who are willing to work 1 or 2 days a week to make extra money.

Where an auction must depend mostly on floating labor, the turnover is heavy and it's quite a job to constantly break in new employees.

In a check made during a 4-week period in 1955, 45 employees were paid. Of that number 25 worked at more than 1 sale, while 20 were floaters. Turnover and absenteeism are high because of working only 2 days a week.

Figure 11.—Number of times purchased from Glades Livestock Market Association by nine highest regular packer buyers, by quarters, 1953–54.



Many large cooperatives are meeting the problem of turnover by group insurance, retirement, bonus arrangements, sharing of earnings, or a combination of the above plans. Arguments for adopting such a program for regular employees after they have worked for the association for a term of years are obvious. The regular employees can concentrate on the job at hand without concern over taking on part-time projects or other work. The prospect of a good retirement is also a tie that binds the employee to the cooperative, and he is not so ready to leave it when someone comes along and offers him higher pay.

A small cooperative such as Glades has difficulty in developing an effective plan for saving on group insurance

or retirement programs unless it is a member of a larger organization which gets a reduced rate. In group insurance, for example, most companies want a minimum of 25 employees to start the program, although a few will initiate such a program with only 10 workers.

The association has a good employee relations program. It endeavors to recognize the basic needs of the employee such as appreciation of his job; sense of belonging to his organization; information on the basic policy and trends of his organization; feeling of security; recognition and commendation; and loyalty of his manager and organization to him in return for his loyalty to his manager, his association, and his fellow employees.

Receipts and Expense

RECEIPTS of the association are derived principally from sales commissions. For the association's fiscal year ending July 31, 1955, out of a total revenue of \$125,221.33, 88.1 percent, or \$110,311.21, came from commissions. For the 4-year period, July 31, 1951, to July 31, 1955, the percent of revenue from commissions varied from 85.7 in 1952 to 88.1 in 1955.

For the year 1955 yardage ranked second in importance in revenue amounting to \$9,131.26 or 7.3 percent of the total income. All other revenue received from the margin on patrons' purchases, advertising, and rental totaled \$5,778.86 or 4.6 percent.

Commissions are derived from a charge to producers of 3 percent of gross sales. In addition, producers pay a yardage charge of one-fourth of 1 percent of gross sales. All claims are paid out of yardage fees.

Commission rates of the association compare favorably with auctions in the Midwest, but are much lower than the rates at a number of western auctions. Some auctions in the West charge rates up to \$4.50 a head for commercial bulls and \$6.50 a head for

dairy cows. Purebred stock may run \$10 to \$11.50 a head for purebred animals and \$12 to \$14 for a purebred cow and calf sold as a pair.

Glades maintains its supply business largely as a service to its members and patrons. The cooperative keeps mineral supplements, miscellaneous feeds, small items of farm and ranch equipment, and certain veterinary supplies in stock where stockmen patronizing the market can obtain them. These items are handled practically at cost. For the year ending July 31, 1955, the association sold supplies amounting to \$18,839.95. The major portion of this amount (approximately \$15,000), was for mineral supplement, widely used in this area. Approximately \$2,000 was for miscellaneous feeds and the remainder was for veterinary supplies—primarily parasite medicine. Included in the veterinary supplies were horn paint, emasculators, dose guns, syringes, penicillin, and black leg medicine. This business was handled on a gross margin of \$1,365.58 or 7.2 percent.

Rented sign space around the auction ring brings in approximately \$1,500 per year receipts to the market.

Particular attention is paid to the size and arrangement of these signs in order that they have a maximum advertising value. No small signs are permitted except in spaces particularly adapted for a small sign. Nearly all the signs are 4 by 8 feet. They are recleaned and repainted once a year where necessary. Varnish placed on the sign after it has been painted makes it easier to keep clean.

Table 13 shows classification of receipts for the 4-year period, fiscal 1952-55.

In a livestock auction, salaries and wages normally constitute about 50 percent of the total expense. Operations of the Glades Market fall within this pattern. For the fiscal year ended July 31, 1952, salaries and wages accounted for 45.4 percent of the total expense. There was a steady rise in this item during the 4-year period. During the year ending July 31, 1955, salaries and wages rose to 56.4 percent of the total expense (table 14 and fig. 12).

During this 4-year period, expenditures for publicity and public relations were about the same for each year. This was also true of the expense item "depreciation and maintenance." There was a sharp reduction percentagewise in other expense during this period. One factor responsible for the reduction in expense both actual and percentagewise was the lesser amount paid out for claims each year. During the 4-year period claims dropped from \$2,751.67 to \$988.97.



Glades receives some of its revenue from advertising signs placed on panels around the ring. They are cleaned and repainted often enough to keep them attractive looking.

The association also had a good record in keeping losses from bad debts down to a minimum. During the 4-year period these losses amounted to \$1,351.86. This was only 0.3 percent of the total revenue received from 1951 to 1955.

Credit Policy

Credits extended by the association are of two types—credit to packers on livestock purchased and credit to patrons on supplies bought.

Buyers are required to establish their

Table 13.—Classification of receipts, fiscal years ending July 31, 1952-55

Item	1951-52	1952-53	1953-54	1954-55
Sales commissions.....	\$72, 476. 68	\$77, 755. 74	\$88, 322. 36	\$110, 311. 21
Yardage and insurance.....	6, 558. 41	6, 679. 00	7, 296. 59	9, 131. 26
Advertising, rental, and miscellaneous.....	5, 530. 83	5, 687. 06	5, 110. 14	5, 778. 86
Total income.....	84, 565. 92	90, 121. 80	100, 729. 09	125, 221. 33
Total expense.....	60, 527. 87	81, 938. 61	81, 547. 44	102, 951. 66
Net savings.....	24, 038. 05	8, 183. 19	19, 181. 65	22, 269. 67

Table 14.—Classification of expense, fiscal years ending July 31

Item	1951-52	1952-53	1953-54	1954-55
<i>Salaries and wages</i>				
Manager.....	\$6, 625. 00	\$7, 800. 00	\$7, 700. 00	\$8, 585. 00
Auctioneer.....	3, 540. 00	3, 915. 00	5, 152. 50	8, 084. 20
Handling.....	11, 801. 40	10, 614. 41	15, 268. 55	19, 243. 16
Office.....	.....	11, 640. 57	9, 701. 07	13, 642. 66
Other.....	5, 526. 21	4, 070. 23	4, 493. 58	8, 441. 13
Total.....	27, 492. 61	38, 040. 21	42, 315. 70	57, 996. 15
<i>Publicity and public relations</i>				
Advertising.....	3, 297. 47	3, 052. 42	2, 426. 97	3, 656. 04
Telephone and telegraph.....	1, 047. 70	1, 745. 74	1, 222. 85	1, 435. 01
Travel and entertainment.....	1, 019. 86	802. 85	735. 58	1, 171. 93
Auto expense.....	709. 71	1, 159. 53	722. 22	1, 217. 35
Dues and subscriptions.....	437. 10	559. 18	705. 05	620. 10
Member and educational meetings.....	.....	1, 236. 20	295. 50	584. 85
Donations.....	2. 00	61. 00	.....	.....
Total.....	6, 513. 84	8, 616. 92	6, 108. 17	8, 685. 28
<i>Depreciation and maintenance</i>				
Depreciation.....	5, 356. 02	11, 383. 42	12, 369. 57	12, 586. 47
Yard supplies and small tools.....	546. 03	521. 47	345. 96	878. 80
Repairs and maintenance.....	699. 60	3, 312. 89	2, 048. 27	5, 393. 43
Total.....	6, 601. 65	15, 217. 78	14, 763. 80	18, 858. 70
<i>Other expense</i>				
Office supplies, printing and postage.....	1, 767. 67	3, 281. 82	3, 650. 12	4, 001. 34
Heat, light, and water.....	641. 54	939. 24	854. 94	1, 229. 12
Interest and expense.....	2, 206. 18	3, 835. 39	3, 350. 97	2, 741. 04
Payroll taxes.....	639. 32	1, 880. 08	826. 00	1, 078. 99
Taxes and licenses.....	90. 65	682. 81	768. 02	823. 73
Insurance.....	2, 610. 90	4, 351. 94	4, 930. 72	5, 034. 01
Auditing and legal.....	805. 00	2, 418. 78	890. 00	1, 121. 63
Bank charges.....	166. 85	44. 90	34. 52	8. 67
Claims paid.....	2, 751. 67	1, 076. 88	1, 611. 00	988. 97
Bad debts.....	.....	.....	1, 329. 83	22. 13
Livestock expense (net).....	908. 36	1, 349. 10	.....	.....
Rent.....	5, 127. 56	.....	.....	.....
Miscellaneous.....	2, 204. 07	202. 76	113. 65	361. 90
Total.....	19, 919. 77	20, 063. 70	18, 359. 77	17, 411. 53
Grand total.....	60, 527. 87	81, 938. 61	81, 547. 44	102, 951. 66

credit in advance of the sale. A local bank gives immediate credit on all drafts.

Buyers in sound financial condition are permitted to remove their cattle from the market on an accounts receivable basis, with remittance usually being made within 5 days. Credit has been extended to buyers for a greater

length of time in only two instances.

The association attempts to keep a close check on financial conditions of buyers at the market. An association can introduce efficiencies and economies and render good service and then lose an entire year's savings or even more in one large bad account. Most of the difficulty the cooperative has

experienced on credits for cattle has been where no formal credit was approved, but for one reason or another, the cattle got away from the market without payment having been received.

Credit on supplies purchased for patrons has never given the cooperative serious difficulty. Credit is not extended to patrons who do not bring cattle to market and virtually no loss has been sustained. Some difficulty is experienced with slow credit which may run up to \$2,000 over a period of 4 to 5 months. This usually occurs with members who for the first few months of the farming season, find it necessary to secure all available credit for the purpose of putting in their crops.

An example of the way both of these credits operate is shown as follows: On December 17, 1954, accounts receivable totaled \$39,590.80. By January 10, 1955, this had been paid down to \$366.10. Accounts receivable covering supplies on December 7, 1954, were \$5,552.35, of which amount \$3,791.90 remained unpaid on January 10, 1955.

The small losses in bad debts experienced by the association to date should not encourage the cooperative to become complacent and relax its vigilance in checking credit.

Distribution of Receipts Dollar

Table 15 shows the distribution of a dollar of income for the period, fiscal 1952-55. This table is self-explanatory. In the latter 2 years the increase in salaries and wages largely offset the reduction in other expenses. There was a wide fluctuation in net savings the first 2 years, dropping from 28.4 percent in fiscal 1952 to 9.1 percent in fiscal 1953. The latter 2 years' net savings were relatively stable at 19 and 17.8 percent respectively in fiscal 1954 and 1955.

Disposition of Net Savings

What disposition was made of Glades' net savings during the 4 years,

fiscal 1952-55? Table 16 and figure 13 give the answer to this question.

During this period \$27,696.48 was paid out in patronage dividends to members. A total of \$13,767.02 was paid in Federal income taxes on non-member business.

In the 4-year period, fiscal 1952-55, a total of \$32,209.06 was transferred to surplus.

During fiscal 1955 a patronage refund of \$8,051.82 was set aside to be paid in stock to 89 members. Of this number 20 had allocations of patronage dividends ranging from \$100 to \$250. Nine had allocations of over \$250.

Insurance

Insurance is a large but necessary item of expense. For the year ending July 31, 1955, Glades paid out in premiums over \$5,000.

The association carries \$75,000 worth of insurance covering fire, lightning and extended coverage on the livestock market. Ten companies participate on the basis of 90 percent co-insurance on extended coverage, \$100 deductible applicable to windstorm and hail. A separate policy of \$6,000 covers contents of the livestock market buildings or their vicinity within 100 feet.

A fidelity bond of \$20,000 covers

Figure 12.—Classification of expenses fiscal year ending July 31, 1955, Glades Livestock Market Association.

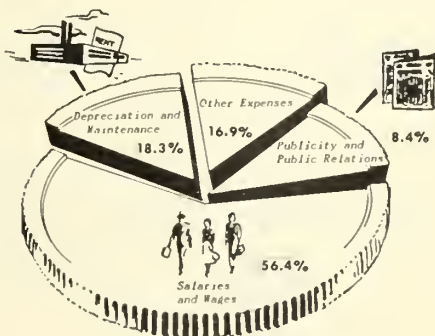


Table 15.—Distribution of the dollar of revenue for fiscal years ending July 31, 1952–55

Item	Percent of total income			
	1951–52	1952–53	1953–54	1954–55
Salaries and wages.....	32.5	42.2	42.0	46.3
Publicity and public relations.....	7.7	9.6	6.1	6.9
Depreciation and maintenance.....	7.8	16.9	14.7	15.1
Other expense.....	23.6	22.2	18.2	13.9
Net savings.....	28.4	9.1	19.0	17.8
Total.....	100.0	100.0	100.0	100.0

employees and an additional bond of \$40,000 covers the treasurer, assistant secretary, and general manager.

Glades carries a license bond of \$10,000 as a dealer in agricultural products.

The cooperative carries insurance on its truck and automobile. A special comprehensive general liability policy covering bodily injury and property damage is included in the insurance portfolio. Workmen's compensation and safe burglary make up the complement of insurance. In the appendix, page 63, is a complete list of all insurance carried by the association.

Analysis of Handling Costs

The big factor in reducing costs in livestock marketing is increasing vol-

ume. Savings can be effected in many phases of operation but volume is necessary if handling costs are to be materially reduced. This is well illustrated by table 17 which shows the payroll cost of handling cattle for thirteen 4-week periods in 1954. For the 4-week period ended January 15, 1954, the cooperative sold 2,061 cattle at an average payroll cost a head of \$1.33. For the 4-week period ended June 4, a total of 6,039 cattle were sold, with a payroll cost of 74 cents a head—about half the cost in the previous January.

It is important to keep each week a summary of sales data for quick reference. The association devised a form (appendix, p. 62), giving a comparison of results of Monday and Wednesday sales in the week ended May 27, 1955.

The average number of cattle sold per hour that week was high, particularly on the Wednesday sale. Light volume, however, raised the average payroll cost per head. The percent of both slaughter and stock cattle handled is shown on both a dollar and a weight basis. The data on average dollars a hundredweight and average dollars a head have questionable value unless related to kind and grade of livestock.

A market that is cost conscious endeavors to maintain a high average on the number of head of stock sold per hour. The higher the average the fewer hours per sale and the lower

Figure 13.—Disposition of net savings fiscal year ending July 31, 1955, Glades Livestock Market Association.

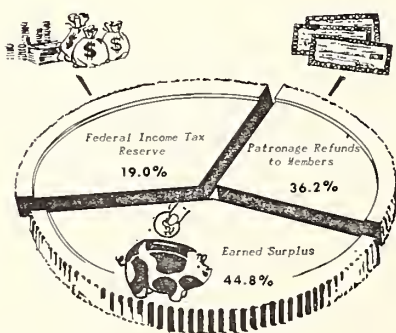


Table 16.—Disposition of net savings for fiscal years ending July 31, 1952-55

Item	1951-52	1952-53	1953-54	1954-55	Total
Total net savings.....	\$24,038.05	\$8,183.19	\$19,181.65	\$22,269.67	\$73,672.56
Patronage refund on member business.....	10,394.05	2,827.29	6,423.32	8,051.82	27,696.48
Provision for Federal income tax.....	4,093.20	1,606.77	3,827.50	4,239.55	13,767.02
Total.....	14,487.25	4,434.06	10,250.82	12,291.37	41,463.50
Balance to earned surplus.....	9,550.80	3,749.13	8,930.83	9,978.30	32,209.06
Savings on nonmember business.....	13,644.00	5,355.90	12,758.33	14,217.85	45,976.08

Table 17.—Payroll cost per head of handling cattle for thirteen 4-week periods, 1954

Period ending—	Number of animals	Payroll	Average per animal
Jan. 15.	2, 061	\$2, 750. 00	\$1. 3340
Feb. 12.	3, 491	3, 199. 98	. 9166
Mar. 12.	2, 552	2, 055. 58	. 8055
Apr. 9.	2, 920	2, 646. 32	. 9063
May 7.	4, 700	3, 625. 77	. 7714
June 4.	6, 039	4, 477. 29	. 7413
July 2.	5, 505	4, 741. 15	. 8612
July 31.	3, 861	4, 459. 14	1. 1540
Aug. 27.	4, 087	3, 824. 47	. 9358
Sept. 24.	3, 596	3, 839. 75	1. 0670
Oct. 22.	3, 628	4, 125. 93	1. 1370
Nov. 19.	4, 920	4, 429. 98	. 9004
Dec. 17.	3, 124	4, 039. 37	1. 2930
Total or average for year.	50, 484	48, 214. 73	. 9550

cost per sale. A check of 14 Monday sales in 1955 showed a range in number of cattle handled per hour at these sales of 124 to 208. The average number sold per hour was 160.

In 14 Wednesday sales held the same week, in 1955, the range was 21 to 187 cattle sold per hour with an average of 116.

As the association comes to sort and sell more cattle in pen lots, the average number of cattle sold per hour will be increased and the hours of sale

will be reduced in proportion to the volume of cattle sold.

There is a direct relation between volume of cattle and efficiency of handling cattle. As an illustration, at one Monday sale in 1955 the association sold 1,015 cattle. Cattle handled per man-hour in this sale were 5.36 head. At the sale the following Monday volume declined to 460 and cattle handled per man-hour dropped to 2.97. This experience was duplicated in other sales.

Member and Public Relations

OPERATING a livestock marketing cooperative would be comparatively simple if the management had no responsibility other than handling and selling livestock at the market and accounting to patrons for the sales proceeds. Efficient sales service, of course, is paramount but efficient sales service alone, without the support of satisfactory membership contacts and public relations, will not attract a maximum number of patrons and build market volume.

As part of its public relations program Glades Livestock Market Association holds membership in five organizations. These include Florida

Council of Farmer Cooperatives, Gainesville; Florida Farm Bureau, Winter Park; Florida Association of Livestock Markets, Kissimmee; National Livestock Auction Association, Billings, Mont.; and Florida Cattle-men's Association, Kissimmee.

The association employs several media in maintaining contact with its members and patrons. These include the regular weekly market card, radio programs, newspaper and magazine advertisements and articles, feature articles in newspapers and livestock publications, road and truck signs, and the bulletin board in the auction building. Some type of member pub-

lication, issued at regular intervals, would be an added link with members and patrons.

In the member relations field two practices of the management are noteworthy. One is to send sympathy cards to members of the association who are ill. This is not too great a burden especially in an association with limited membership.

Another interesting practice for this type association is the regular one of inviting two members of the organization to attend each meeting of the board of directors. This helps keep members informed on operations of the cooperative and is certainly a goodwill measure. Letters on file at the association express members' appreciation for this courtesy.

Market Cards

The association puts out about a thousand market cards weekly. The cards cost three-fourths of a cent each. Postage runs 1½ cents each and labor for mimeographing about \$6 a thousand. This is a total cost of \$28.50 a week for the cards. The market card is sent to all members and to members of the Cattlemen's Associations in Palm Beach, Martin, Glades, Hendry, and Lee counties. The card is also sent to the Dairyman's Associations of Dade and Broward counties. The mailing list has been built up from names of consignors and also from names of stockmen who have asked to receive the card. To keep an active list of shippers to receive the card is a continuous weeding out process. This has been going on for 3 years. Return postage is guaranteed and all the cards returned are checked with the list and the stenils pulled.

Radio Program

Glades has a radio program broadcast from 4:30 to 5 p. m. on each Monday during the sale. Technicians from the local radio station bring their equipment to the market and set it up so that a tape recording can



Glades' members cooperate in helping to advertise their livestock market.

be made starting at 3 o'clock in the afternoon. This particular time coincides with the sale of pen lots of cattle. The recording requires 30 minutes to broadcast, although it may take 45 minutes of actual time to make. It covers a variety of material, including an auctioneer selling both pen lots and individual animals.

The recording gives special items of interest, for example a statement about a producer who has consigned a string of cattle purchased through the market as calves. Included, too, are data such as the original weight and purchase price along with the sales weight and final selling price. The record supplies special information of interest to stockmen on how the cattle were handled and whether they were pastured or finished on pasture or in the feed lot. It tells what rations and kind of feed or pasture have been used along with the carrying period of the cattle on pasture or in the feed lot. It also makes some mention of breeding practices.

Comments on the general trend of prices at the market for various grades and a number of individual sales by grade are recorded so listeners to the broadcast will have a working

knowledge of prices by grades. Included are names and locations of consignors. In many cases radio listeners are familiar with the grade and weight of cattle handled by their neighbors and thus get a better idea of market value than if the broadcast was confined to quoting prices of animals by grade.

On the radio broadcasts the manager, who does the announcing, mentions various slogans which have been prepared to publicize the importance of consigning to the association. Here are some sample statements:

"The commission you pay the Glades Livestock Market is the best investment you can make in the sale of your cattle."

"Remember when you consign your cattle to the Glades Livestock Market you are investing in your own business."

"Don't forget buyers purchase their livestock *where* it is offered for sale. When you consign to the Glades Livestock Market the buyers will purchase your stock on competitive bidding."

"One bid may make a sale when you sell at your own pasture or feed lot, but many competitive bids from several buyers is the rule when your cattle are consigned to the Glades Livestock Market."

Spot announcements are made between 12 noon and 12:15 all 7 days a week. These announcements are changed for special events and seasons, and for variation. The following is a typical spot announcement:

"The Glades Livestock Market, on the Pahokee-Belle Glade Road, is now holding *two* sales each week, in order to accommodate the buyers and sellers of livestock. Sales are held each Monday and Wednesday, beginning at 1 p. m. The big demand now is for stocker cattle; bring your cattle to the Glades Livestock Market, on the Pahokee-Belle Glade Road. Sales on Monday and Wednesday each week, 1 p. m."

Newspaper and Magazine Publicity

Business advertisements are carried in five weekly newspapers in Glades trade area and also in the Florida Cattleman, a monthly livestock magazine. These advertisements feature items such as pen selling of livestock and special services of the association. Growth of the organization and volume of business handled are also covered. Photos of market operations are another feature of this medium of publicity.

Cartoons are employed to good effect in the advertisements. For example, the appendix, page 49, shows a worrier with the admonition—"Don't worry—sell your cattle in pen lots on Monday and Wednesday at your Glades Livestock Market Association."

In its publicity program the association has been helped materially by feature articles which have appeared from time to time in the local papers and the large city dailies such as the Miami Herald, the Palm Beach Post-Times, and others. These articles have discussed the organization setup of the association and the services rendered stockmen. Some articles have been exceptionally well written.

The Florida State Farmers Market Office issues a weekly release giving livestock demand and price trends, also the weekly volume of business handled by the Belle Glade association and all other Florida auctions. This release has some publicity value for the association.

At the consignor's request Glades will advertise in the Florida Cattleman, with the stockman paying the bill.

Road and Truck Signs

The association employs various methods to keep its name before stockmen and the public.

On each of the 4 main roads approaching the market, Glades has large billboard signs placed at the entrances to the ranches of members. There are 4 of these signs at distances

varying from 15 to 30 miles from the market. The words Glades Livestock Market Association are in luminous material, making them visible at night. There is a double-faced luminous sign on the highway in front of the market.

One successful promotion has been to pay commercial truckers \$2 a month for placing a Glades sign on each of their cattle trucks.

Bulletin Board

The association maintains a large bulletin board near the entrance to the sales ring. Market reports from the Chicago, Kansas City, and Florida markets are kept on this board, also the weekly market review and statistical reports of the United States Department of Agriculture. Current market cards from the Glades Livestock Market and the Union Stockyards, Albany, Ga., are on the bulletin board. A file is kept on the market reports from the Florida auctions. All of these reports are on clip boards which are hung on the bulletin board.

Space is reserved for a wire received from Chicago each Monday which gives market receipts and prices at that market.

Another bulletin board provides space for notices of special sales such as purebred sales or large consignments.

It would be helpful to patrons if management would place on the bulletin board large charts showing the average seasonal spread in prices of different grades of cattle. This would aid members in planning a more orderly marketing program.

Field Service Program

An organization such as Glades Livestock Market Association, which serves such a wide area, needs an adequate field service program. The association has given some consideration to establishing this service but no program has been developed to date.

A well-trained and experienced fieldman can visit cattlemen in the



This luminous sign marks the entrance to Glades Market.

area, advise them on grade and value of their animals, and also give the short-term and the long-term outlook and trends in supplies and prices.

The fieldmen can also help in cutting out cattle which are ready for market where producers are not familiar enough with grades, prices, and market conditions to perform that service themselves.

An efficient field service program should result in better membership relations with producers, which should eventually lead to a larger volume of business at the market. Another result should be a more even or uniform supply of cattle for the market, week after week.

Glades' manager has been handling most of the field work carried on by the association. Livestock producers and ranchmen call on him for a great deal of advice and information. Many of these inquiries deal with the breeds of livestock suitable for the Glades area and grasses which make the best showing in the section. Methods of handling cattle in feedlots and on pasture and disease and parasite control measures are other problems on which advice is sought.

It must be appreciated that this is a comparatively new livestock area. Many stockmen are newcomers to the business and have not established connections with the Florida Agricultural Experiment Station, county agents, and college and extension workers.

Glades' management works closely with State and Federal agencies and directs inquiries to these agencies wherever possible.

With the new and growing cattle industry in the area, management has the opportunity to perform not only a "trouble shooting" but an educational service. Good ideas found at one farm or ranch are passed on to another producer. Feeding rations which have worked out well or new or improved

facilities are examples of items which are shared by the management with other stockmen. Some of Glades' members are using a new arrangement of mineral troughs built in connection with watering troughs. Half the small building at each end of the watering trough is for storage of minerals and other supplies. The other half is a self-feeding arrangement where cattle can obtain minerals before leaving the watering trough platform.

Evaluating Glades' Experience

GLADES Livestock Market Association pioneered in building a live stock marketing service in the Glades area of Florida. The role of a pioneer is never easy. Starting with nothing but a determination to build a marketing structure and with no previous experience, this cooperative has made a splendid growth and provided a much needed service for both producers and buyers. Without a satisfactory market outlet for their livestock it is doubtful if the cattle industry in the Glades area would have flourished and developed as it has.

Following is an evaluation of Glades' experience with some specific suggestions as to how the cooperative might improve its operations. Some of these will apply only to Glades. Others will have value for auctions already established or being organized.

Management

The Glades Livestock Market Association has made good progress to date. Much credit is due the management and directors for the results obtained notwithstanding the many operating problems and difficulties encountered over the years.

Glades' experience indicates, however, that a more equitable representation of directors is desirable. In the existing organization set-up there is no plan for districting membership for the election of directors.

The bylaws provide that the business of the association shall be conducted by a board of 7 directors. These directors shall be elected at the annual meeting for a term of 3 years.

But with no provision for districting membership and electing directors by districts, all of the directors could be elected from 1 county or even 1 township. The trade territory of the association could well be divided into districts and provision made for electing directors to those districts with proper consideration to the present and prospective membership in them (fig. 14).

The bylaws might also be amended to increase the number of directors to nine. With each director continuing to be elected for a term of 3 years, three directors would come up for election each year.

It appears that Glades' management needs to set up business controls and measures of business efficiency to serve as guides in the conduct of the business. Among others these efficiency measures would include such items as packers' weekly purchases by species; credit outstanding for each packer, if any; periodic checks of patron and buyer turnover and the share of volume the association obtains from counties in its trade territory; gross revenue per worker and per hour; expense per worker and per hour; and net revenue per worker and per hour.

Membership

Present membership of the Glades association constitutes less than 10 percent of the total patrons of the association. To provide the new services recommended for the cooperative requires a broad base of membership and membership support.

The Glades association can never come into full realization of its potential until it broadens its membership base. A farmer cooperative with a requirement of \$1,000 stock purchase per individual membership is virtually a closed corporation. This amount should be reduced to \$100 per share, payable in cash or, at the stockholder's option, by applying the patronage dividends to purchase of stock.

Glades has reached a point in its development where it might consider establishing a house organ or some other type of member publication. Through such means the cooperative could keep its members well informed on all phases of its current operations.

Employees

To handle efficiently the expected increase in business and to perform any new services needed calls for a recruiting and training program for employees. These prospective jobs and others must be handled by new employees. These employees should be familiar with the operation of the cooperatives and other agencies who are performing these services. They must be experienced men with special training and a knowledge of how these services are being rendered in the Midwest and on the west coast where they have been successful.

In establishing any new services detailed job descriptions should be written for each position. This can prevent overlapping of functions and define the area where operations can be integrated.

It costs time and money to train employees and fit them into the business. This investment in an employee, particularly a key employee, should pay



Truckers who haul cattle to and from Glades promote the market as they pick up and transport livestock.

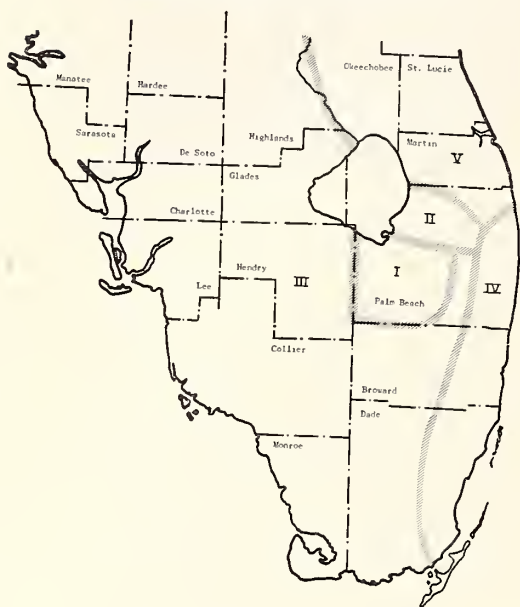
dividends to the association in the better service he is capable of rendering as a result of the training experience he has had.

Glades could well consider establishing an incentive plan or bonus arrangement for key employees based on a division of its net earnings. Such a plan would make the organization truly cooperative for employees as well as for producers. An incentive program helps to insure the retention of key employees. It reduces turnover and gives management a lever in holding capable men who are often approached by other employers hoping to secure their services. An incentive payment program helps to place a permanent foundation structure under an organization. There are instances on record where a cooperative ceased operations when the manager and key employees resigned.

Capital

Adequate capital for operating expenses, for additional facilities, and for paying patronage refunds is necessary to the success of any cooperative. It appears that Glades Livestock Market Association has outgrown its capital. The association started May 5, 1950, with authorized capital of \$35,000. On October 6, 1951, the stockholders empowered the board of directors to increase the authorized capital stock to \$100,000. There has been no increase in capital since that date. On July 31, 1955, a total of 116 mem-

Figure 14.—Suggested districts for director representation, Glades Livestock Market Association.



bers and stockholders had subscribed for 980-5/10 shares in the amount of \$98,050.

Unless its capitalization is increased, Glades will not be able to make patronage refunds to its members payable in capital stock, which is a contractual obligation of the association. The co-operative's experience indicates its authorized capital should be increased from \$100,000 to \$200,000.

The association should inaugurate a budget system in connection with its financial program. This is most important, especially in considering new services.

Facilities

Glades has made significant improvement in its facilities. There are certain facilities and equipment, however, that the Glades auction needs for further efficiency. Some of these have already been mentioned on page 5 of this report.

In addition the section of pens in the "hot corner" leading to the scales should be rebuilt using a smaller area.

This will result in a considerable saving in personnel on sale days. Moving the scales so they open directly on the ring and installing hydraulic gates on the scales to be operated by the weighmaster will help speed up the sale. Savings can also be made by the addition of more labor saving equipment in the office.

Many large auctions have separate docks for unloading livestock and loading out stock after it is sold. At present only a small volume of stock is loaded out while the Glades sale is going on but this situation could change. Separate loading docks would save labor in loading out stock and eliminate any interference with livestock moving to the sales ring. This should not be classed as an immediate project but one for future consideration.

Herd Improvement

Glades' experience has proved it is worthwhile to campaign actively for herd improvement. Cattle improvement in that area is on the march. The Glades Livestock Market and its patrons have provided the shock troops for this campaign. Civic organizations, the press and other agencies have a part in the crusade for more and better cattle for South Florida. One of Glades' services which has a far reaching effect on the future of the livestock industry in that area and in improving quality is conducting purebred sales at the market.

During the past 2 years purebred sales have been held at the Glades Market. At these sales purebred Angus, Hereford and other breeds of cattle have been auctioned to the highest bidder. Many of these cattle have come from purebred herds in the Corn Belt States. Contacts have been made with the State breed associations and individual breeders to secure consignment to the sales. Consignments have been obtained from purebred breeders out of the area who use Glades' facilities to hold dispersal sales.

There is a growing interest among stockmen and others in cattle improve-

ment in the Glades area. Many producers and consumers want to see more high-grade beef produced and merchandised in Florida. Bringing in more purebred stock, which can be used to step up the grade of cattle in the area, will result in consumers getting a better grade of beef.

In purchasing supplies of stocker and feeder animals to feed, stockmen are likely to be looking for animals of improved quality. This is evident in observing buying operations at the sale. Shrewd feeders will bid up stock cattle with quality 50 cents a hundred-weight or more, knowing they are likely to get \$1.50 to \$2 more a hundredweight when the animals are finished and marketed.

If improvement in the quality of cattle does not keep pace with the feeder demand, the buyers will secure their supplies in other areas. This practice is already under way in some sections.

Population is rapidly increasing in Florida. It is one of the fastest growing States in the country. During the 10-year period, 1940-50, the population increased from 1,897,414 to 2,771,305. A recent report from one of the leading industrial corporations in the State shows that new residents are settling there at the rate of 3,500 per week.

Many people now in Florida came from sections where they were accustomed to purchasing beef of a higher grade than that now produced in many areas of the State. They will be demanding the same grade of beef which they have been accustomed to purchase. If Florida producers do not supply that grade of beef, it will be shipped in from other States.

Yard Operations

Efficient yard service calls for prompt unloading of livestock with no long waits. Livestock must be yarded or penned promptly and moved to the sales ring with a minimum of handling or "chaussing" around in order to hold shrink to a minimum and not

delay the sale. Careful handling of cattle cuts down shrink to producers and saves bruises which are a loss to the packers. Packers and slaughterers check bruises on carcasses of cattle purchased at different markets. If one market has established a pattern of excessive bruises the buyers take this item into consideration in bidding on the stock.

Glades is doing an acceptable job of receiving and yarding cattle. A better job could be done if the association did not have the problem of constant turnover in labor. When a new man or perhaps several men are new on the job at a given sale and have to be broken in, there are bound to be delays and some poor handling.

Selling

An efficient selling job in an auction calls for giving livestock a good workout in the ring. A selling service approaches the ideal when stock is moved through the ring at a rate where all competition has the opportunity to get in a bid and have that bid recognized by the auctioneer.

In a terminal market operation the job of selling is usually shouldered by several salesmen. In an auction the job is up to one man, the auctioneer, to sell, unless he has some relief. When the auctioneer also operates as a starter of bids as in the case of the Glades market, he has an added responsibility.

The length of time in the ring is not always a true criterion of the character of workout livestock receive in the ring. An auctioneer can step up bidding in many instances by speeding up on selling. Dragging a sale may create an impression among buyers that demand is lagging.

Pen selling has materially speeded up selling time at the Glades auction and has enabled the cooperative to attain a relatively high rate of cattle moving through the ring per hour. The association is reaching for a goal of an average of 150 cattle an hour. This is not too high when one con-

siders that the cooperative has attained a rate of 187 an hour in 1 sale.

Further savings of time and expense can be made in increased grouping of cattle for sale in pen lots and also in grouping calves for sale in lots. Effecting this innovation may be as difficult as inaugurating the pen-lot sale of cattle. However, less difficulty should be experienced in this project than if the association was operating in a dairy district. Auctions in these districts have experienced difficulty in grouping calves for sale. An association in Ohio in an area primarily of beef cattle but with some dairy stock has sold producers on this method of marketing. The market has been successful in this undertaking as they have convinced farmers that their calves are bringing more money using this group selling technique. Anything that can be done to cut down hours of sale without impairing service helps producers, helps buyers, and helps the market.

Field Service

It is self evident that service should grow with volume. The two are mutually dependent. If a cooperative does not have sufficient volume and earnings, there are no funds for creating new services or improving old ones. On the other hand the increased volume is not usually forthcoming unless the association has the vision and daring to adopt and carry out effective publicity, business getting, and field service programs.

There are instances of auction markets which were able to hold their business year after year with strictly a sales service but these are the exception rather than the rule.

An organization with a trade territory as extensive as the Glades association needs a fulltime fieldman who would spend all his time in the field with the exception of the days when sales are held at the market.

The fieldman should possess these qualifications: He should know livestock grades and yields and keep

thoroughly posted on values. He should have the latest and best outlook information on livestock supplies and price trends and share this information with stockmen as he contacts them in their pastures and feedlots.

The fieldman should be qualified to cut out in a feedlot or pasture cattle which are carrying the proper finish for market. On the market days he can sort, grade and shape up cattle prior to the sale. He can also contact producers and observe sales during the auction so as to be thoroughly informed on prices of each class and grade of cattle. In addition to these duties he should arrange meetings in the different producing areas and prepare articles of interest and human interest stories for local newspapers. All this calls for a "double-sized" man. But no individual with fewer qualifications should apply for the job as fieldman.

Other Possible Services

To survive, an association must study the trends of production and marketing in its area and adapt its operations to those trends.

There is a distinct trend toward feeding and fattening of cattle in the Glades area. Ten years from now, or even sooner, it could be one of the largest cattle finishing and fattening sections in this country.

As feeding and pasture operations grow and develop in this area a demand should arise for stock cattle which could be brought into the section when local cattle are not available of the grade desired by the feeder. This service could include the purchase of commercial breeding stock.

With stockmen building up their herds and others going into the cattle business in the Glades area the association could be their procurement agency. The Glades cooperative is in an ideal situation to perform this service as the management has contacts with producer owned and controlled agencies in all producing areas

where such stock is available. An intelligent handling of this program should not hurt the sale of local stocker and feeder cattle. It is possible that the association could also assist stockmen in securing purebred animals for their herds. This service would be in addition to the purebred sales held at the market.

Another service Glades could give consideration is a sales service for fat and butcher cattle sold direct from feedlots and pastures to packers. The employee of the association would be the agent of the producer. He would contact packers and slaughterers who kill the weight and grade of animals the producer has ready for market and try to effect a sale. The association's representative would take a buyer to the member's or feeder's feedlot or pasture, or he might purchase the cattle without the buyer being present at a predetermined bid or agreed price.

Order selling is no substitute for the competitive auction market. It must be recognized, however, that some buyers prefer country trading and some producers prefer to sell their livestock on their own farms or ranches. This service would be designed primarily, therefore, for the producer and the buyer who are not market minded. The service would be available in those cases where the producer wanted expert sales help because he was not certain of the value of his livestock or his ability to bargain with an experienced packer buyer who knows weights, grades, yields, and values of the cattle.

Another phase of this program should be mentioned. If the time should arise when the volume of cattle and calves received at the market would outstrip the buying competition, the association would be justified in establishing an order bid service. This would be a systematic means of protecting the sale. Under this arrangement a trained buyer would solicit firm bids before the sale for both stocker and feeder and butcher stock. Bids would be solicited from

producers and slaughterers, feedlot and pasture operators and ranchmen. These orders would be filled through the sale by competitive bidding with other buyers.

Glades could help its members and patrons by assisting packers to work out a program of merchandising or processing their inedible products.

In purchasing cattle, packers take into consideration yield of animals, estimated grade of carcass, expected value of byproducts, and other factors. If prices of inedible products, such as fat and bones, are depressed, that situation is reflected in the packer bid.

In South Florida practically none of the packers have inedible rendering facilities. They sell bones, fat, and other items to a commercial renderer. As there is only one renderer in South Florida, competition for these products is limited.

On March 1, 1955, packers were receiving one-fourth cent to three-eighths cent for bones and 1 cent a pound for fat, or about one-third the amount that was being paid for similar grades of offal by renderers in northern States. If packers had a truly competitive situation or their own plant, they could realize additional income of \$1 to \$2 per head on cattle.

The returns packers receive from inedible products are therefore of considerable concern to the association and its members.

Every marketing cooperative must strike a balance between production and price, the latter governed by consumer demand. The cooperative that auctions livestock is no exception to that rule. Cattle should be placed on the market when prices are high, but too many cattle offered at one time may depress prices.

The chart on page 22, showing comparative prices on the Glades Market and other livestock markets, pointed to a period of depressed prices at Glades during late summer and fall months. This situation resulted primarily from excessive receipts at the South Florida markets during that period.

Glades Market is doing a better job than the average market in Florida in handling a large share of its volume during the second quarter of the year before the price breaks late in the year. In 1954, the association handled 17,217 head or 34.4 percent of the yearly receipts during the period April to June, inclusive.

Florida markets as a whole handled 31 percent of the livestock volume during August, September, and October, whereas in December, January, and February they handled only 18.4 percent of their yearly volume.

It follows then that more cattle should be sold from December to June to prevent glutted markets and depressed prices. Glades Livestock Market Association can help by working with its own membership and with other marketing associations in the State in furthering more timely production and orderly marketing. In the same way cooperative livestock auctions in other areas can help to plan the flow of cattle to market so that their producer members will benefit more fully.

Glades' Opportunity

The suggestions made for Glades Livestock Market call for a long-range operating program. They are in the nature of a blueprint dealing with improvements which can be carried out within the next 3 to 5 years.

Based on the experience of other cooperatives it is probable that the association has now reached a plateau where further increase in volume and progress will be slow and more difficult unless goals are established and a long range planning program set up. This program should incorporate provisions for additional services and give due recognition to the changing trends which are inherent in livestock marketing.

Glades Livestock Market Association can grow with the rapidly developing cattle industry in South Florida. By providing an efficient marketing service this cooperative can help producers take much of the guesswork out of their operations and bring more stability to the livestock industry.

Appendix

Cartoon used in advertising by the association.



Don't Worry !

Sell Your Cattle in "Pen Lots"
on Monday and Wednesday
at your

Glades Livestock Market Asso.

OWNED AND OPERATED BY MORE
THAN 100 FLORIDA CATTLEMEN

PHONE 3028

PAHOKEE-BELLE GLADE ROAD

ORIGINAL

Glades Livestock Market Association

BELLE GLADE, FLORIDA

Date _____, 195__

Owner _____

Address _____

Pen No. _____

SELLING NO. _____

	TOTAL
Calves	
Yearlings	
Heifers	
Cows	
Steers	
Stags	
Bulls	
Hogs	
Horses	

Receiving Ticket

462

The Hamilton Automatic Register Co., Hamilton, Ohio

YARD SELLING RECORD

Date _____

Glades Livestock Market Association

Lot No.	Pen No.	Calves	Yearlings	Heifers	Cows	Steers	Stags	Bulls	Hogs	Lot No.	Pen No.	Calves	Yearlings	Heifers	Cows	Steers	Stags	Bulls	Hogs
1										31									
2										32									
3										33									
4										34									
5										35									
										36									
28										37									
29										38									
30										39									
										40									
Total										Total									

Chute No. — — —

Calves
 Yearlings
 Heifers
 Cows
 Steers
 Bulls
 Horses
 Hogs

Mark:

Weight

GLADES LIVESTOCK MKT. ASSOC. — Belle Glade, Fla.

Seller		Date	
LOT NO.	HEAD	KIND	PEN
Buyer		AMOUNT	
LBS. NET G			

Avg. Wt. Avg. Cost

Scale Ticket

TOTAL

N^o 1

Checking Form



Your Livestock **CHECK**

N^o 9967

BELLE GLADE, FLORIDA

PAY TO THE ORDER OF \$

DOLLARS

TO BANK OF PAHOKEE
 63367
 631 PAHOKEE, FLORIDA

GLADES LIVESTOCK MARKET ASSN.

BY *Ted*

SELLERS STATEMENT — Detach For Your Record Before Depositing Check.

PEN	CALF	CATTLE	HOG	KIND	LOT NO.	MARK	WEIGHT	UNIT PRICE	AMOUNT

COMMISSION RATES

Calves	3%	Horses — \$3.00 per head
Yearlings		Pigs up to 50 lbs — .25c each
Heifers		Pigs 50 to 100 lbs — .50c each
Cows		Hogs 100 lbs. to 150 lbs — .75c each
Steers		Hogs 150 lbs up — \$1.00 each
Bulls		

GROSS SALE

\$	
Hauling	
Commission	
Yardage	
TOTAL CHARGES	
NET TO SELLER	

Maximum Chg.—\$4.50 per head (except bulls) where lot averages more than \$150.00

GLADES LIVESTOCK MARKET ASSOCIATION
 Auction Sales Each Monday

N^o 9967

Account Sale, or Seller's Statement

Certificate of Amendment of Articles of Incorporation of Glades Livestock Market Association

This is to certify that on the 15th day of March A. D. 1950, at a special meeting of Glades Livestock Market Association, a nonprofit cooperative corporation organized and existing under the laws of the State of Florida, called for the purpose, amendment of the Articles of Incorporation of the said corporation as hereinafter set forth was approved by two-thirds of the directors thereof and then adopted by a vote representing a majority of a quorum of the members attending the said meeting, of which meeting and of which proposed amendment notice was duly given, to wit:

Amended Articles of Incorporation

Article I

The name of this corporation shall be Glades Livestock Market Association.

Article II

This Cooperative is formed for the following purposes:

To engage in any cooperative activity in connection with the marketing, selling, growing, harvesting, preserving, drying, processing, canning, packing, grading, storing, warehousing, handling, shipping or utilizing of agricultural products; or in the manufacturing, purchasing or supplying of machinery, equipment or supplies, or in financing any of the above enumerated activities; or in performing or furnishing business or educational services on a cooperative basis for those engaged in agriculture as bona fide producers of agricultural products and/or cooperative associations of such producers; or in any one or more of the activities specified herein.

This Cooperative may deal in or handle products, machinery, equipment, supplies, and/or perform services for and on behalf of nonmembers provided that during any fiscal year this Cooperative shall not deal in or handle products, machinery, equipment, supplies, and/or perform services for and on behalf of nonmembers to an amount greater in value than such as are dealt in, handled and/or performed by it for and on behalf of members during the same period.

Article III

This Cooperative shall possess and exercise all the rights, powers and privileges necessary or incident to the purposes for which the Cooperative is organized or to the activities in which it is engaged and in addition thereto any other rights, powers and privileges granted to corporations of this kind by "The Agricultural Cooperative Act of Florida, as amended," and any other rights, powers and privileges granted by the laws of the State of Florida to ordinary corporations of the "Agricultural Cooperative Act of Florida, as amended."

Article IV

The principal office of the Cooperative shall be located in the City of Belle Glade, County of Palm Beach, State of Florida, which office shall be its principal place of business. It may have branch offices at such other places within or without the State of Florida as may be determined by its Board of Directors.

Article V

Section 1. The business and affairs of this Cooperative shall be managed by a Board of Directors of not less than three (3) nor more than fifteen (15).

Section 2. The names and addresses of each of the Directors, who, subject to the bylaws, shall hold office until the first annual meeting of the membership or until their successors are elected and qualified, are as follows:

<i>Name</i>	<i>Address</i>
E. M. Van Landingham	Belle Glade, Fla.
H. L. Speer	Pahokee, Fla.
John A. Tabit	Belle Glade, Fla.
Leland C. Pearce	Do.
W. P. Hill	Do.
T. W. Knight	Pahokee, Fla.
John L. Evans	Bean City, Fla.

Article VI

Section 1. The capital stock of the Cooperative shall consist of 350 shares of common stock of the par value of \$100 per share.¹ There shall be only one class of capital stock of the Cooperative.

Section 2. The common stock of this Cooperative may be purchased, owned, and/or held only by producers and/or cooperative associations of such producers who shall patronize the Cooperative in accordance with uniform terms and conditions prescribed thereby and only such producers shall be regarded as eligible members of the Cooperative. *No stockholder shall have more than one vote in any meeting of the Cooperative regardless of the number of shares owned by him.* In the event the Board of Directors of the Cooperative shall find, following a hearing, that any of the common stock of this Cooperative has come into the hands of any person who is not eligible for membership, or that the holder thereof has ceased to be an eligible member, or that such holder has not, for a period of two (2) years, marketed his agricultural products through the Cooperative, he shall have no rights or privileges on account of such stock, or vote or voice in the management or affairs of the Cooperative (other than the right to participate in accordance with law in case of dissolution), and the Cooperative shall have the right, at its option (a) to purchase such stock at its book or par value, whichever is less, as determined by the Board of Directors of the Cooperative or (b) to require the transfer of any such stock at such book or par value, to any person eligible to hold the same.

Section 3. The common stock of this Cooperative may be transferred only with the consent of the Board of Directors of the Cooperative and on the books of the Cooperative, and then only to persons eligible to hold the same; and no purported assignment or transfer of common stock shall pass to any person not eligible to hold the same, any rights or privileges on account of such stock, or vote or voice in the management of the affairs of the Cooperative. This Cooperative shall have a lien on all of its issued common stock for all indebtedness of the holders thereof to the Cooperative.

In the event of liquidation or dissolution of this Cooperative, all outstanding capital stock shall, after payment of all outstanding indebtedness of the Cooperative, be ratably retired.

Article VII

The minimum amount of capital with which the Cooperative will commence business is Five Hundred Dollars (\$500).

Article VIII

These Articles of Incorporation may be altered or amended at any annual meeting of the stockholders entitled to vote or at any special meeting called for the purpose, in the way and manner provided by applicable provision of law.

In witness whereof, the foregoing amended Articles of Incorporation of Glades Livestock Market Association, is hereby subscribed to by the undersigned, who are the President and Secretary respectively of said Glades Livestock Market Association.

Signed ROY VANDEGRIFT,
President, Glades Livestock Mkt. Assoc.

Signed GEO. C. YOUNG,
Secretary, Glades Livestock Mkt. Assoc.

(On February 29, 1952, there was a resolution authorizing increase in Capital Stock to the amount of \$100,000.)

¹ Later increased to \$1,000 by resolution of board of directors.

Bylaws of Glades Livestock Market Association

Article I

Purposes and Powers

The purposes for which this association is formed and the powers which it may exercise are set forth in the articles of incorporation of the association.

Article II

Directors and Officers

Section 1. Number and qualifications of directors. The business of the association shall be controlled by a board of seven (7) directors, each of whom shall be a member of this association or an authorized representative of an incorporated member. No person shall be eligible for the office of director if he is in competition with or is affiliated with any enterprise that is in competition with the association and if a majority of the board of directors of the association find at any time following a hearing that any director is so engaged or affiliated, he shall thereupon cease to be a director.

Section 2. Election of directors. At the first annual meeting of the members of this association, directors shall be elected to succeed the incorporating directors. Three (3) directors shall be elected for 1 year, two (2) directors for 2 years, and two (2) directors for 3 years, and thereafter each director shall be elected for 3 years. Directors shall be elected by secret ballot. The nominee who, among the nominees for each directorship, receives the greatest number of votes shall be declared elected to the directorship for the ensuing term. Directors shall hold office until their successors have been elected and qualified and have entered upon the discharge of their duties.

Section 3. Election of officers. The board of directors shall meet within three (3) days after the first election and within three (3) days after each annual election and shall elect by ballot a president, vice-president, secretary, and treasurer (or a secretary-treasurer), each of whom shall hold office until the election and qualification of his successor unless earlier removed by death, resignation, or for cause. The president and vice-president only need be members of the board of directors.

Section 4. Vacancies. Whenever a vacancy occurs in the board of directors, other than from the expiration of a term of office, the remaining directors shall appoint a member to fill the vacancy until the next regular meeting of the members.

Section 5. Board Meetings. In addition to the meetings mentioned above, regular meetings of the board of directors shall be held monthly, or at such times and at such places as the board may determine.

Section 6. Special meetings. A special meeting of the board of directors shall be held whenever called by the president or by a majority of the directors. Any and all business may be transacted at a special meeting. Each call for a special meeting shall be in writing, signed by the person or persons making the same, addressed and delivered to the secretary, and shall state the time and place of such meeting, and the matters to be acted upon.

Section 7. Notice of Board Meetings. Notice of the regular or special meetings of the directors shall be mailed to each director at least five (5) days prior to the time of such meeting.

Section 8. Compensation. The compensation, if any, of the members of the board of directors and of the executive committee, shall be determined by the members of the association at any annual or special meeting of the association.

Section 9. Quorum. A majority of the board of directors shall constitute a quorum at any meeting of the board.

Article III

Duties of Directors

Section 1. Management of business. The board of directors shall have general supervision and control of the business and the affairs of the association and shall make all rules and regulations not inconsistent with law or with these bylaws for the management of the business and the guidance of the members, officers, employees and agents of the association. They shall have installed an accounting system which shall be adequate to the requirements of the business, and it shall be their duty to require proper records to be kept of all business transactions.

Section 2. Employment of manager. The board of directors shall have power to employ

or to authorize the employment of a manager and such other employees as may be deemed necessary and to fix their compensation. The manager shall have charge of the business of the association under the direction of the board of directors.

Section 3. Bonds and insurance. The board of directors shall require the manager and all other officers, agents, and employees charged by the association with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. Such bonds shall be furnished by a responsible bonding company and approved by the board of directors, and the cost thereof shall be paid by the association. The board of directors shall provide for the adequate insurance of the property of the association, or property which may be in the possession of the association, or stored by it, and not otherwise adequately insured, and in addition adequate insurance covering liability for accidents to all employees and the public.

Section 4. Audits. At least once in each year the board of directors shall secure the services of a competent and disinterested public auditor or accountant, who shall make a careful audit of the books and accounts of the association and render a report in writing thereon, which report shall be submitted to the members of the association at their annual meeting.

This report shall include at least (1) a balance sheet showing the true assets and liabilities of the association; (2) an operating statement of the fiscal period under review which shall show the cost of, and income from, sales and the gross income or loss from each of the commodities handled during the period; (3) an itemized statement of all expenses for the period under review.

Section 5. Agreements with members. The board of directors shall have the power to carry out all agreements of the association with its members in every way advantageous to the association representing the members collectively.

Section 6. Depositary. The board of directors shall have the power to select one or more banks to act as depositaries of the funds of the association and to determine the manner of receiving, depositing, and disbursing the funds of the association and the form of checks and the person or persons by whom same shall be signed, with the power to change such banks and the persons signing such checks and the form thereof at will.

Article IV

Duties of Officers

Section 1. Duties of president. The president shall (1) preside over all meetings of the association and of the board of directors, (2) call special meetings of the board of directors, (3) perform all acts and duties usually performed by an executive and presiding officer, and (4) sign all membership agreements of revolving fund certificates, and such other papers of the association as he may be authorized or directed to sign by the board of directors. Provided, however, that the board of directors may authorize any person to sign any or all checks, contracts, and other instruments in writing on behalf of the association. The president shall perform such other duties as may be prescribed by the board of directors.

Section 2. Duties of the vice president. In the absence or disability of the president, the vice president shall perform the duties of the president: Provided, however, that in case of death, resignation, or disability of the president, the board of directors may declare the office vacant and elect his successor.

Section 3. Duties of the secretary. The secretary shall keep a complete record of all meetings of the association and of the board of directors and shall have general charge and supervision of the books and records of the association. He shall sign all membership agreements and revolving fund certificates with the president and such other papers pertaining to the association as he may be authorized or directed to sign by the board of directors. He shall serve all notices required by law and by these bylaws and shall make a full report of all matters and business pertaining to his office to the members at the annual meeting. He shall keep the corporate seal and the book of membership agreements, and revolving fund certificates and countersign all certificates issued, and affix the corporate seal to all papers requiring a seal. He shall keep membership and revolving fund records. He shall act as secretary of the executive committee. He shall make all reports required by law and shall perform such other duties as may be required of him by the association or the board of directors. Upon the election of his successor, the secretary shall turn over to him all books and other property belonging to the association that he may have in his possession.

Section 4. Treasurer. The treasurer shall perform such duties with respect to the finances of the association as may be prescribed by the board of directors.

Article V

Section 1. Powers and duties. The board of directors may in its discretion appoint from its own membership an executive committee of three (3) members, determine their tenure of office and their powers as may, from time to time, be prescribed by the board of directors

and these duties and powers may be all of the duties and powers of the said board of directors, subject to the general direction, approval, and control of the board of directors. Copies of the minutes of any meeting of the executive committee shall be mailed to all directors within seven (7) days following such meeting.

Article VI

Duties of Manager

Section 1. In general, under the direction of the board of directors, the manager shall have general charge of the ordinary and usual business operations of the association, including the purchasing, marketing, and handling of all products and supplies, handled by the association. He shall, so far as practicable, endeavor to conduct the business in such a manner that the members will receive just and fair treatment. The manager shall deposit all money belonging to the association which comes into his possession in the name of the association in a bank selected by the board of directors and if authorized to do so by the board of directors shall make all disbursements by check therefrom for the ordinary and necessary expenses of the business in the manner and form prescribed by the board of directors. Upon the appointment of his successor, the manager shall deliver to him all money and property belonging to the association which he has in his possession or over which he has control.

Section 2. Duty to account. The manager shall be required to maintain his records and accounts in such a manner that the true and correct condition of the business may be ascertained therefrom at any time. He shall render annual and periodical statements in the form and in the manner prescribed by the board of directors. He shall carefully preserve all books, documents, correspondence and records of whatever kind pertaining to the business which may come into his possession.

Section 3. Control of employees. Subject to the approval of the board of directors, the manager shall employ, supervise, and dismiss all agents and employees of the association not specifically employed by the board of directors.

Article VII

Members and Patrons

Section 1. Qualifications of members. Any person, firm, partnership, corporation, or association, including both landlords and tenants in share tenancies, who is a bona fide producer of agricultural products or a cooperative association of such producers, may become a member of the association by acquiring a share of the common stock, and meeting such other conditions as may be prescribed by the board of directors.

As a consideration for the subscription of the common stock of the association by members, and for the marketing of livestock through the association's market by members, the association shall as to such members be operated on a nonprofit cooperative basis, and sales of stock and the purchase of materials and supplies shall be on the following basis, to wit:

(a) The members shall be billed for and shall pay the legal established sales commission on all livestock sold, and at the end of the association's fiscal year, the difference between the billing price for such services rendered to members and the actual cost thereof shall be refunded to the members in such form as the board of directors may elect each year.

(b) Merchandise and supplies shall be sold and billed to members at cost, plus such handling charge as the association shall determine. Any excess of charges so collected over the cost of services rendered shall likewise be refunded to members as aforesaid.

This section of the aforesaid article by these by-laws shall constitute a contract between the association and the members operative from year to year unless rescinded or modified, provided, however, that no such rescission or modification shall be effective until the fiscal year next ensuing the adoption thereof, and notice thereof shall be given to the members thirty days prior to the beginning of such ensuing fiscal year.

Section 2. Nonmember patrons. The association may transact any authorized business with nonmembers provided that the total value of business transacted by the association with nonmembers in any fiscal year shall not exceed the total value of business transacted with its members.

Article VIII

Meetings

Section 1. Fiscal year. The fiscal year of this association shall commence on the first day of July and end on the last day of June.

Section 2. Annual meeting. The annual meeting of the members of this association shall be held in the town of Belle Glade, State of Florida, at eight (8) o'clock P. M., on the second Monday of September of each year, or on any date which the board of directors shall designate at least 10 days in advance of the date specified above.

Section 3. Special meetings. Special meetings of the members of the association may be called at any time upon the written request of at least twenty-five (25) percent of the members, provided, however, that in no case shall the required number of signatures to such a request be less than five (5). The request shall state the time, place, and object of the meeting.

Section 4. Notice of meetings. Written or printed notice of every regular or special meeting of members shall be prepared and mailed to the last known post office address of each member not less than five (5) days before such meeting. Such notice shall state the object or objects thereof and the time and place of meeting and, in the discretion of the board of directors, may be given by publishing the same at least ten (10) days prior to the date of the meeting in the newspaper of general circulation published in the town where the principal place of business of the association is located. No business shall be transacted at special meetings other than that referred to in the call.

Section 5. Absentee voting. Voting by proxy shall not be permitted, but absent members may vote on specific questions other than the removal of directors by ballots transmitted to the secretary by mail, and such ballots shall be counted only in the meeting at the time in which such vote is taken, provided that all members, pursuant to action by the board of directors, have been mailed an exact copy of the motion or resolution upon which such vote is taken, and a copy of the same is forwarded with and attached to the vote of the member voting.

Section 6. Quorum. Twenty-five (25) percent of the members shall constitute a quorum for the transaction of business at any meeting of the association except for the transaction of business concerning which a different quorum is specifically provided by law or by these bylaws; but in the event a quorum is not present such meeting may be adjourned from time to time by those present until a quorum is obtained.

Section 7. Order of business. The order of business at the annual meeting shall be:

- (1) Roll Call.
- (2) Proof of due notice of meeting.
- (3) Reading and disposal of minutes.
- (4) Annual reports of officers and committees.
- (5) Election of directors.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

Article IX

Miscellaneous Provisions

Section 1. Seal. The seal of the association shall contain these words and figures: "Glades Livestock Market Association, Incorporated, 1948" in circular form, the impress of which is placed hereon.

Article X

Section 1. If notice of the character of the amendment proposed has been given in the notice of a meeting, these bylaws may be altered or amended at any regular or special meeting of the members by the affirmative vote of seven (7) or more of the members present or voting by mail.

We, the undersigned, being all the incorporators and stockholders of the Glades Livestock Market Association, do hereby assent to the foregoing bylaws and do adopt the same as the bylaws of said association; and in witness whereof, we have hereunto subscribed our names, this 15th day of March A. D. 1950.

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Glades Livestock Market Association

Detail of Fixed Assets

Year Ended July 31, 1955

DESCRIPTION OF ASSET	Balance	
	July 31, 1955	
Land—market site	\$6,595.17	
Land improvements	454.95	
Fence	318.97	
Buildings:		
Market building and pens	77,715.39	
Additions to market building—ring	960.44	
Additions to market building and pens	8,909.13	
Additions to market building water spillway	978.63	
Additions to pens:		
Gates	1,688.46	
Buyers' pens	7,136.90	
Other additions to pens	4,799.45	
Tenant dwelling and additions	5,006.04	
Total buildings	107,194.44	
Equipment:		
Cattle-weighing scales (used)	2,000.00	
Restaurant fixtures, etc	491.28	
Additions	389.29	
Cattle squeeze	384.04	
Ticket conveyor	114.34	
5 concrete troughs	144.76	
3 fenton feeders	96.06	
Type registering beam, 20,000 by 5 pounds, with pillar outfit for 10-ton cattle scales	396.09	
Microsol with timer	109.43	
Saddle	101.00	
Bridle and martingale	16.95	
Auxiliary water pump	495.53	
Brand heater	28.00	
1955 ½-ton pickup truck	1,680.29	
1955 Fordor sedan	2,437.50	
Total equipment	8,884.56	
Furniture and fixtures:		
30 chairs	414.03	
1 calculator	780.94	
1 set—speaker and intercom system	410.67	
1 office safe	35.00	
1 filing cabinet	79.31	
1 typewriter	155.58	
1 storage cabinet	59.50	
1 speaker and intercom system (south pen)	171.70	
Stools	11.02	
7 electric fans	563.72	
1 adding machine	272.95	
4 portable fans	144.00	
1 fan and mounting	106.09	
1 pedestal fan	131.84	

Furniture and fixtures—Continued

1 office table	\$83.18
1 graphotype machine (used)	75.00
1 walnut Hanes table	66.95
1 microphone	16.48
1 fence charger	14.68
1 fireproof filing cabinet	249.42
1 electric heater	11.28
1 addressograph (used)	106.36
1 ceiling fan	240.39
Salt box	35.02
1 adding machine	315.53
Mimeograph machine and table	381.83
S. B. 6-drawer steel filing cabinet	27.61
Cardex filing cabinet	200.08
2 2-burner oil stoves	55.00
1 steel bunk bed and mattress	19.31
1 30-watt speaker and 1 15-watt speaker with tubes and cable	213.58
Electric saw	95.28
Microphone for speaker system	20.00
Cardex filing cabinet	90.00
Electric water pump	112.50
1 30-inch window fan	75.00
1 electric refrigerator	282.22
2 loudspeakers for speaker system	33.12
1 safe	210.00
1 watchman's clock	40.00
Speaker system parts	137.88
Metal file cabinet	191.94
Billing machine	50.47
Paymaster checkwriter	136.71
Display cabinet	63.20
Adding machine	401.78
Auctioneer microphone	17.00
Casco chair	34.46
Portable file cabinet	51.45
2 speakers (barn)	89.85
8 oak chairs	127.72
2 oak chairs	31.93
1 oak chair	12.76
Microphone and headset	38.25
1 calculator	638.70
1 office chair	53.56
1 water cooler	387.95
1 office heater	19.95
1 office desk and chair	40.17
5 posture chairs	154.25
1 electric typewriter	374.92
1 metal chair	30.85
1 flexolamp	18.95
Total furniture and fixtures	9,510.87
Signs:	
10 large highway signs	500.00
8 signs (various sizes)	293.75
Various signs	155.15
Total signs	948.90
Construction in progress	532.00
Total	134,439.86

Pen-Lot Selling

Pen-lot selling has proven to work to everyone's advantage. From time to time, it becomes necessary for us to make some changes and to clarify the rules applying to this type of selling.

Rules

1. Pen-lot selling is the selling of all the cattle at one time which are assigned to 1 pen. The minimum number to be sold is 5 head. There is no maximum. We have sold as many as 54 animals as 1 pen lot. Pen-lot selling is scheduled to begin at 2:30 p. m.

2. The association will not be obligated to include cattle in the pen lots which are received at the market after 1 p. m.

3. Verbal instructions to your truckdrivers may result in your cattle not being sold as requested. Please send written instructions with your cattle.

4. Grading of cattle for pen-lot sales is the consignor's responsibility. The market's cutting chutes are available on a first-come-first-serve basis. We cannot supply labor for grading cattle on sale day.

5. Pen-lot cattle are given a lot selling number preceded by the letter "P." Consecutive numbering of a consignor's pen-lot cattle can only be done when they are received at the platform in regular order of arrival.

6. The association reserves the right to change the order of sale of particular pen lots for the purpose of including such sales in the radio broadcast. This will not be done if special request is made by the consignor.

GLADES LIVESTOCK MARKET ASSOCIATION.

April 27, 1955.

Sale statistics for week ended May 27, 1955

Item	Monday	Wednesday	Total
Number of head	929	280	1,209
Value	\$69,293.05	\$15,695.19	\$84,988.24
Commission and yardage	\$2,297.99	\$510.08	\$2,808.07
Payroll (including pen construction labor)			\$1,449.92
Average payroll per head handled			\$1.20
Hours of sale	6½	1½	
Average number sold per hour	143	187	
Average price per hundredweight	\$12.63	\$10.68	
Average value per head	\$74.57	\$56.05	
Average weight per head	590	525	
Percent slaughter cattle	{ 1 51	1 46	
	{ 2 51	2 43	
Percent stockers	{ 1 49	1 54	
	{ 2 49	2 57	

¹ Percentage of total based on value.

² Percentage of total based on weight.

Glades Livestock Market Association

Schedule of Insurance in Force

July 31, 1955

COVERAGE	<i>Amount of insurance</i>
Fire, lightning, and extended coverage on livestock market; 90 per- cent coinsurance on extended coverage and, 100 deductible appli- cable to windstorm and hail (A).	\$75,000.
Fire and lightning—contents of livestock market building or while within 100 feet thereof.	\$6,000.
Fire, lightning, and extended coverage on tenant dwelling; 100 per- cent coinsurance.	\$5,000.
Blanket honesty bond:	
All employees, excluding president, vice-president, and chair- man.	\$20,000.
Additional coverage on treasurer, assistant secretary, and general manager.	\$40,000.
License bond as dealer in agricultural products	\$10,000.
Automobile liability—1955 truck (B):	
Bodily injury	\$100,000 to \$300,000.
Property damage	\$5,000.
Fire and theft	A. C. V.
Collision	\$50 deductible.
Automobile liability—1955 sedan (B):	
Bodily injury	\$100,000 to \$300,000.
Property damage	\$5,000.
Medical payments—each person	\$1,000.
Fire and theft	A. C. V.
Collision	\$50 deductible.
Comprehensive general liability:	
Bodily injury	\$50,000 to \$100,000.
Property damage	\$5,000 to \$25,000.
Workmen's compensation	As per law.
Safe burglary	\$5,000.

Selected References

Livestock Marketing in the Southern Region. Southern Cooperative Series Bulletin 26. July 1952. Obtainable from U. S. Agricultural Marketing Service.

Prospective Demand for Meat and Livestock in the South. Southern Cooperative Series Bulletin 43; Marketing Research Report 99. Oct. 1955. Obtainable from U. S. Agricultural Marketing Service.

Trade in Western Livestock Auctions:

1. Development and Relative Importance of Operations. Utah Agricultural Experiment Station Bulletin 352. May 1952. Logan.
2. Analysis of Livestock Marketing. Washington Agricultural Experiment Station Bulletin 537. June 1952. Pullman.

How Alabama Farmers Buy and Sell Livestock. Agricultural Experiment Station Bulletin 281. March 1952. Auburn.

Livestock Marketing in Georgia. Georgia Agricultural Experiment Station Bulletin 271. Oct. 1951. Experiment.

Livestock Marketing Practices of North Carolina Farmers. North Carolina Agricultural Experiment Station Bulletin 376. Sept. 1951. State College Station, Raleigh.

Marketing Practices of Livestock Producers in Louisiana. Louisiana Agricultural Experiment Station Bulletin 471. Mar. 1952. University Station, Baton Rouge.

Selling and Buying Livestock by Tennessee Farmers. Tennessee Agricultural Experiment Station Bulletin 233. June 1953. Knoxville 16.

Texas Livestock Auction Markets—Methods and Facilities. Texas Agricultural Experiment Station Misc. Publication 93. Apr. 1953. College Station.

Texas Livestock Auction Markets—Operating Costs and Returns. Texas Agricultural Experiment Station Misc. Publication 118. Dec. 1954. College Station.

See outside cover for Farmer Cooperative Service publications.

Other Publications Available

Feeder Calf Sales in the Southeastern States, FCS Circular 9. *C. G. Randell and Anna E. Wheeler.*

Livestock Auctions in the Northeastern States, FCS Bulletin 8; Northeast Regional Publication No. 26. *C. G. Randell.*

Ways to Improve Livestock Auctions in the Northeast, FCS Circular 16. *C. G. Randell.*

Farmer Cooperatives in the United States, FCS Bulletin 1.

Using Your Livestock Co-op, FCS Educational Circular 4. *C. G. Randell.*

Sizing Up Your Cooperative, FCS Educational Circular 11.

Decentralized Marketing by Producers Livestock Cooperative Association
Columbus, Ohio, FCA Bulletin 65. *R. L. Fox and C. G. Randell.*

Copies of these publications may be obtained upon request while a supply is available from—

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U. S. DEPARTMENT OF AGRICULTURE

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